PROVEN STRATEGY

ANNUAL REPORT 2006

Crescent Point
ENERGY TRUST

table of contents

ORGANIZATION DEFINITION

Throughout the Annual Report, Crescent Point Energy Trust and its subsidiaries, predecessor companies and related entities are referred to as "Crescent Point", or the "Trust".

VOLUME REPORTING

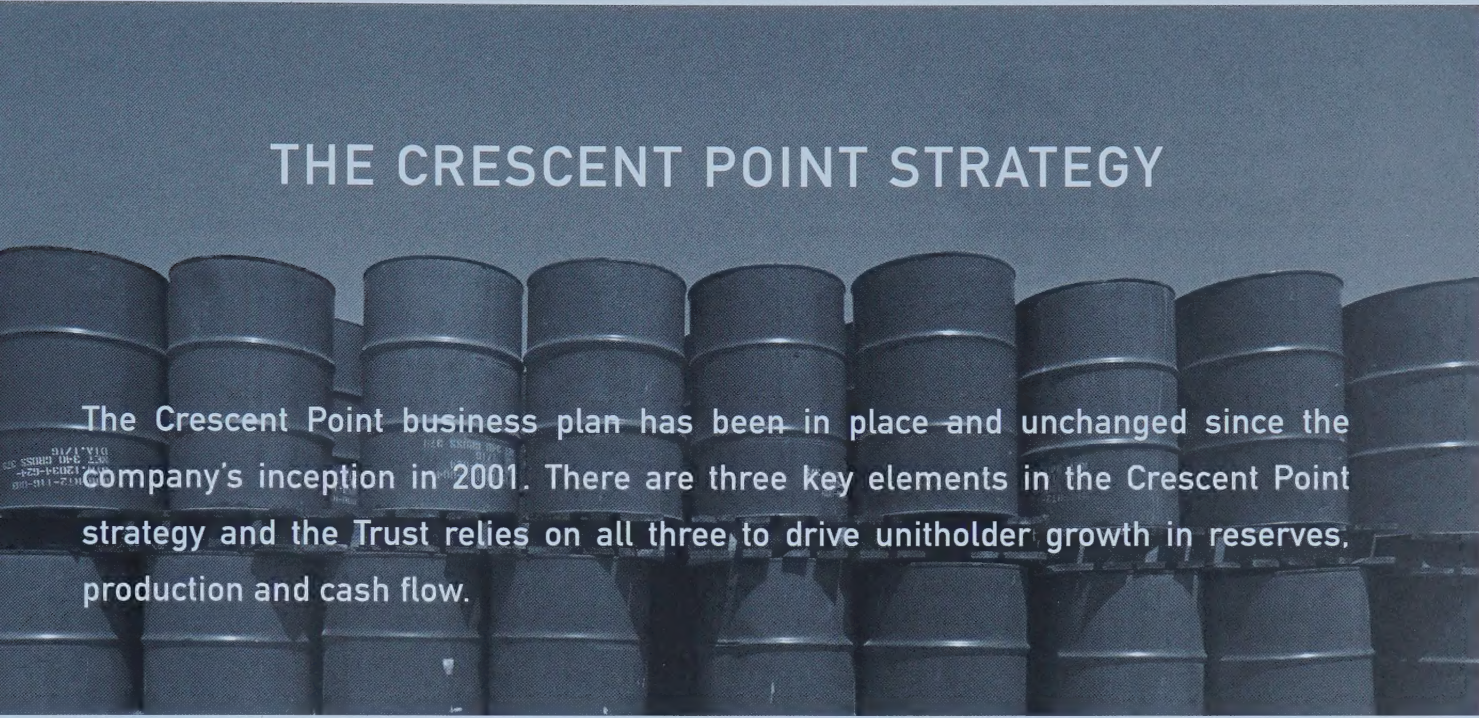
Barrel of oil equivalent ("boe") figures for the periods presented throughout this report are expressed at a conversion rate of six thousand cubic feet of natural gas to one barrel of crude oil. This conversion ratio approximates relative heating values, and is the generally accepted ratio used by Canadian oil and gas companies, oil and gas trusts and investment analysts.

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of unitholders of Crescent Point Energy Trust will be held on Thursday, May 31, 2007 at 10:00 a.m. in the Lecture Theatre Room of The Metropolitan Conference Centre of Calgary, 333 – 4th Avenue SW, Calgary, Alberta. Unitholders are encouraged to attend the meeting and those unable to do so are urged to complete, sign and return their form of proxy mailed with this report.

ABBREVIATIONS

ARTC	Alberta Royalty Tax Credit
bcf	Billions of cubic feet
boe	Barrels of oil equivalent
boe/d	Barrels of oil equivalent per day
bbls	Barrels of oil or natural gas liquids
bbl/d	Barrels of oil or natural gas liquids per day
F&D	Finding and development
FD&A	Finding, development and acquisition
GJ	Gigajoules
mmbtu	Millions of British Thermal Units
mbbls	Thousands of barrels
mmbbls	Millions of barrels
mboe	Thousands of barrels of oil equivalent
mm	Million
mmboe	Millions of barrels of oil equivalent
mcf	Thousands of cubic feet
mcf/d	Thousands of cubic feet per day
mmcf	Millions of cubic feet
mmcf/d	Millions of cubic feet per day
NAV	Net asset value
NGL	Natural gas liquids
OOIP	Original oil in place
WTI	West Texas Intermediate



THE CRESCENT POINT STRATEGY

The Crescent Point business plan has been in place and unchanged since the company's inception in 2001. There are three key elements in the Crescent Point strategy and the Trust relies on all three to drive unitholder growth in reserves, production and cash flow.

ACQUIRE

Crescent Point uses its excellent balance sheet and growth capital to acquire focused, long life, high quality reserves and production in western Canada. The Trust focuses on accretive large oil or gas in place acquisitions with stable production profiles and significant development upside.

MANAGE RISK

Crescent Point strives to manage the risks associated with the oil and gas industry and to provide stability to its distributions over time. To accomplish this, the Trust maintains a conservative balance sheet with significant unutilized lines of credit. The Trust targets a debt to cash flow of 1.0 times or less. The Trust actively hedges commodity prices using a rolling 36-month price risk management program and hedges up to 65 percent of after Crown royalty volumes using a portfolio of swaps, collars and put option instruments.

DEVELOP AND EXPLOIT

Crescent Point uses its large, low risk development drilling inventory to maintain production, reserves and distributions. The Trust currently has more than 6 years of drilling inventory, equating to more than $1.1 billion of development capital projects to maintain current production. This portfolio of internal projects is an industry leader for a trust of Crescent Point's size.

FINANCIAL AND OPERATING HIGHLIGHTS

($000, except trust units, per trust unit and per boe amounts)	2006	2005	% Change
FINANCIAL			
Cash flow from operations [1]	189,135	109,785	72
Per unit [1][2]	2.98	3.04	(2)
Net income	68,947	38,509	79
Per unit [2]	1.05	1.12	(6)
Cash distributions	150,277	74,591	101
Per unit [2]	2.40	2.14	12
Payout ratio (%) [1]	79	68	11
Per unit (%) [1][2]	81	70	11
Net debt [1][3]	227,905	194,545	17
Capital acquisitions (net) [4]	507,929	301,235	69
Development capital expenditures [4]	109,995	35,720	208
Weighted average trust units outstanding (mm)			
Basic	61.5	34.3	79
Diluted	63.6	36.1	76
OPERATING			
Average daily production			
Crude oil and NGL (bbls/d)	17,417	9,196	89
Natural gas (mcf/d)	19,833	17,810	11
Total (boe/d)	20,723	12,164	70
Average selling prices [5]			
Crude oil and NGL ($/bbl)	60.03	58.57	2
Natural gas ($/mcf)	6.33	8.38	(24)
Total ($/boe)	56.52	56.55	-
Netback ($/boe)			
Oil and gas sales	56.52	56.55	-
Royalties	(11.90)	(11.27)	6
Operating expenses	(9.18)	(8.08)	14
Transportation	(1.35)	(1.04)	30
Netback prior to realized financial instruments	34.09	36.16	(6)
Realized loss on financial instruments	(4.01)	(7.42)	(46)
Netback	30.08	28.74	5

(1) Cash flow from operations, payout ratio and net debt as presented do not have any standardized meaning prescribed by GAAP and therefore may not be comparable with the calculation of similar measures presented by other entities.

(2) The per unit amounts (with the exception of per unit distributions) are the per unit – diluted amounts.

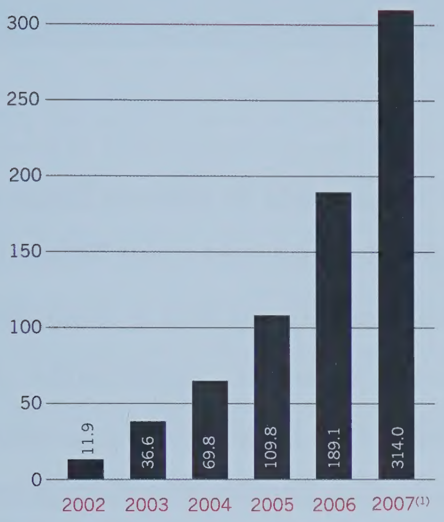
(3) Net debt includes working capital, but excludes the risk management liabilities and assets. Working capital as at December 31, 2006 includes the $30.0 million long-term investment in Mission Oil & Gas Inc.

(4) The capital acquisitions include the purchase price and assumed net debt. These amounts differ from the amounts allocated to property, plant and equipment as there were allocations made to goodwill, other assets and liabilities. The development capital expenditures in the table exclude capitalized administration costs. The prior year results have been restated to conform to the current year presentation.

(5) The average selling prices reported are before realized financial instruments.

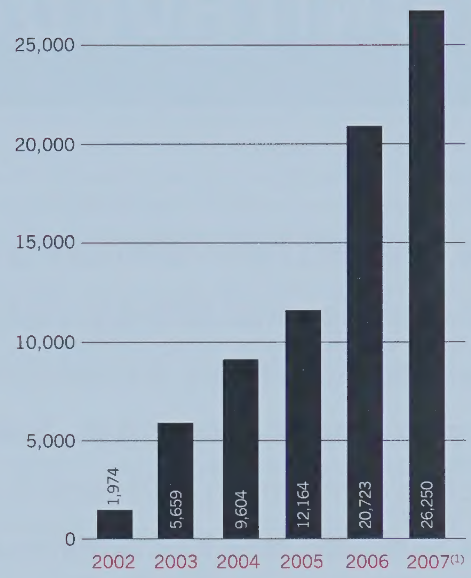
PROVEN TRACK RECORD

Cash Flow Growth ($mm)



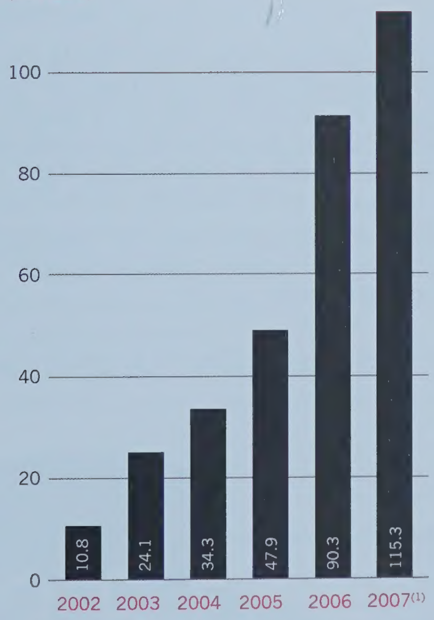
(1) Estimate US $60.00 WTI/bbl; $7.50/mcf AECO and $0.85 US Exchange Rate

Production Growth (boe/d)



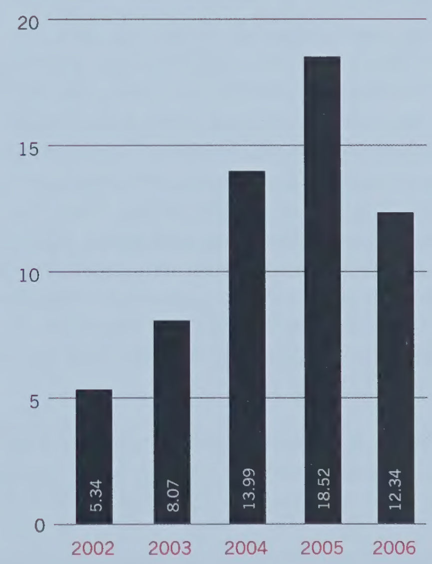
(1) 2007 Preliminary Forecast Average Production Rate

Reserves Growth (proved + probable) (mmboe)



(1) 2006 year end reserves, including Mission Oil & Gas Inc.

Finding, Development & Acquisition Costs (proved + probable) ($/boe)



Crescent Point has developed a proven track record of growth for unitholders. Every year since inception, the Trust has increased cash flow, production, reserves and net asset value. Finding, development and acquisition costs, excluding change in future development costs, have averaged $12.40 per proved plus probable boe over the past five years, and NAV has grown to $21.61 per unit in 2006 from $9.15 per unit in 2003. With the acquisition of Mission Oil & Gas Inc., NAV increased to $22.05 per unit. This proven track record is the result of management's aggressive implementation of its integrated business strategy of acquiring, exploiting and developing high quality, long life light and medium oil and natural gas properties.

PRESIDENT'S LETTER TO UNITHOLDERS

In 2006, Crescent Point continued to aggressively implement its proven business plan of creating value added growth in reserves, production and cash flow while maintaining sustainable distributions, a strong balance sheet and a disciplined three year hedging program. Since inception as a junior exploration and production company in 2001, and through conversion to a trust in 2003, Crescent Point's business plan has remained unchanged, with a commitment to growth and sustainability built on the core fundamentals of high quality, large resource in place assets, a strong balance sheet, and effective risk management.

Through the execution of management's integrated strategy of acquiring, exploiting and developing long life light oil and natural gas properties, Crescent Point delivered strong growth in reserves, production and cash flow in 2006 and continued to solidify the long term sustainability of the Trust's production and distributions. The Trust closed 11 net high quality property and corporate acquisitions in 2006 and one in early February 2007 adding more than 15,000 boe/d of production. The Trust also drilled 103 (77.4 net) wells with a 100 percent success rate, adding an additional 5,100 boe/d of initial interest production. Net asset value increased to $21.61 per unit in 2006 from $15.12 per unit in 2005. With the acquisition of Mission Oil & Gas Inc., NAV increased to $22.05 per unit.

Crescent Point is currently producing more than 26,500 boe/d, a 118 percent increase over the Trust's average 2005 production of 12,164 boe/d.

With the acquisition of Mission, the Trust has more than 870 net low risk development drilling locations in inventory, which will position the Trust well to maintain production for up to six years.

The successful results in 2006 further enhance the Trust's proven track record of providing upside growth potential in a long term sustainable business model. During the year, Crescent Point continued to pay a $0.20 per unit monthly distribution for an overall payout ratio of 79 percent. This despite weakening natural gas prices and crude prices that finished the year 17 percent off their mid year highs. Since conversion to a Trust in 2003, Crescent Point has paid out more than $290 million in distributions, starting with $0.17 per unit per month in 2003 and growing to its current level of $0.20 per unit per month.

MONTHLY DISTRIBUTION PER UNIT ($)

Crescent Point has paid out more than $290 million in distributions since inception

2006 Highlights

2006 was another successful year for Crescent Point with major growth on the acquisition front, significant year end reserve additions, a 100 percent successful drilling program, record cash flow, production and capital expenditures, and the maintenance of a $0.20 per unit monthly distribution.

The year's highlights include:

- Increased net asset value per unit to $21.61 in 2006 from $15.12 in 2005. The Trust has increased NAV per unit every year since inception and, with the acquisition of Mission Oil & Gas, NAV has increased to $22.05 per unit;
- Increased year end 2006 reserves to 90.3 million boe proved plus probable from 47.9 million boe proved plus probable at year end 2005, based on independent third party evaluations by GLJ Petroleum Consultants Ltd. and Sproule Associates. Growth included 11.2 million boe of positive reserve revisions, the fifth straight year of strong year over year positive reserve revisions. With the closing of the Mission acquisition on February 9, 2007, proved plus probable reserves increased to 115.3 million boe;
- Achieved low 2006 finding and development costs, excluding change in future development costs, of $9.86 per proved plus probable boe and $13.06 per proved boe of reserves. This equates to a proved plus probable recycle ratio of 3.5 times. Including change in future development costs, the Trust's 2006 finding and development costs are $13.53 per proved plus probable boe and $14.85 per proved boe;
- Achieved low 2006 finding, development and acquisition costs, excluding future development costs, of $12.34 per proved plus probable boe and $15.97 per proved boe. The Trust's five year rolling average FD&A costs are $12.40 per boe proved plus probable;
- Completed 11 net acquisitions in 2006 and one in early February 2007, adding approximately 15,000 boe/d of production and 63.7 million boe of proved plus probable reserves;
- Executed a record development capital program, spending $110.0 million, which included the drilling of 77.4 net wells with a success rate of 100 percent. Through its 2006 capital development program, the Trust added more than 5,100 boe/d of initial interest production;
- Through acquisitions and drilling, the Trust increased production by 70 percent to 20,723 boe/d. After the successful completion of the Mission acquisition, the Trust increased production to more than 26,500 boe/d;
- Increased cash flow to $189.1 million from $109.8 million in 2005, a year over year increase of 72 percent;
- Maintained monthly distributions of $0.20 per unit, resulting in an annual distribution of $2.40 per unit, up 12 percent from 2005. The Trust's overall payout ratio was 79 percent (81 percent on a per unit-diluted basis);
- Completed three bought deal equity financings in January, March and July 2006, totaling 18.5 million trust units generating gross proceeds of $395.4 million. In addition, two private issuances of 4.7 million trust units were completed in 2006 valued at $101.9 million. In February 2007, the Trust issued 29.2 million trust units valued at $507.2 million as part of the Plan of Arrangement with Mission Oil & Gas Inc.; and
- Maintained an excellent balance sheet throughout the year, with the Trust's credit facility expected to increase to $575 million due to the closing of the Mission acquisition in February 2007. The Trust has significant unutilized credit capacity with projected net debt to 12-month cash flow of less than 1.0 times.

2.5 Billion Barrels Of Original Oil In Place

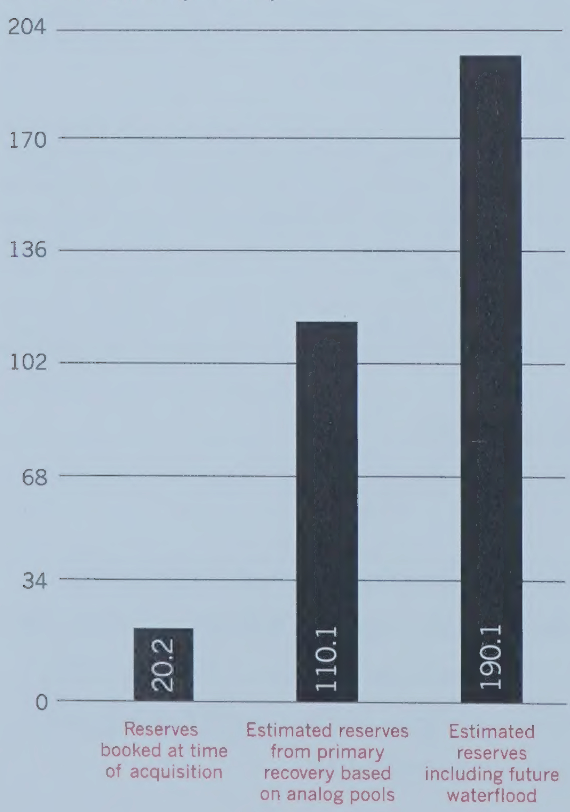
With the closing of the Mission acquisition on February 9, 2007, the Trust's asset base increased to 2.5 billion barrels of original oil in place. Crescent Point believes it has the ability to double P+P reserves over time through infill drilling and production and waterflood optimization.

Subsequent Event – Acquisition of Mission Oil & Gas

In late 2006, the Trust entered into a Plan of Arrangement to acquire Mission Oil & Gas Inc., a junior oil and gas producer whose primary asset was a controlling position in the exciting Viewfield Bakken resource play in southeast Saskatchewan. The Plan closed on February 9, 2007, and included the acquisition of 7,000 boe/d of high quality, long life light oil and gas assets, including more than 5,000 boe/d from the Bakken resource play. Crescent Point estimates the Viewfield Bakken pool to be the fifth largest light oil pool discovered in western Canada, containing an estimated 1 billion barrels of original oil in place ("OOIP"). The completion of the Plan increased the Trust's resource base to more than 2.5 billion barrels of OOIP and added more than 570 net low risk development drilling locations. This resource base extended the Trust's drilling inventory to more than six years, positioning the Trust for significant long term development and reserve growth opportunities.

Crescent Point sees the potential for upwards of 170 million boe of reserve additions from the Viewfield Bakken resource play

BAKKEN RESOURCE PLAY
P+P RESERVES (MMBOE)



Reserve estimates from independent engineers recognize 25 million boe of proved plus probable reserves in the Mission acquisition, including 20 million boe of proved plus probable reserves in the Viewfield Bakken resource play based on a recovery factor of approximately 4 percent. Analog pools and detailed simulation work suggest primary recovery factors in the order of 15 to 18 percent for the Bakken play, with an incremental 7 to 10 percent recovery from future waterflood potential. Based on these recovery rates, the Trust sees the potential for upwards of 170 million boe of incremental proved plus probable reserves from the Viewfield Bakken resource play over the next several years.

Federal Government Proposal to Tax Income Trust Distributions

On October 31, 2006, the Federal Minister of Finance announced a proposal to tax the distributions of certain publicly traded income trusts. Draft legislation regarding the proposal was released by the government in late December 2006 and, in late January 2007, the House of Commons Standing Committee on Finance held special public hearings into the matter. It is not yet known if the proposal will be enacted into law in the form announced, if at all. Should it be enacted into law in its current form, it would apply to Crescent Point after four years and would come into effect in the 2011 tax year.

On December 15, 2006, the federal government announced guidelines with respect to the implementation of the proposed tax on income trust distributions. Included were guidelines setting limits on the expansion of existing income trusts prior to the 2011 tax year. An existing income trust, like Crescent Point, would be allowed to grow by the amount of its Safe Harbour Limit, which was defined as a percentage of the trust's market capitalization as of October 31, 2006. The Safe Harbour Limit was determined to be 40 percent in 2007 and 20 percent for each of 2008, 2009 and 2010.

Crescent Point is actively participating in industry initiatives to influence the outcome of this proposed legislation. Despite uncertainty regarding the tax proposal, the Trust continues to aggressively implement its business plan. Crescent Point's key attributes of proven management, high quality, large resource in place assets, and conservative balance sheet and risk management strategy position the Trust to succeed regardless of the outcome of the income trust taxation debate.

We urge all of our unitholders and concerned individuals to write, email or visit the constituency office of their Member of Parliament to voice their opinion regarding the tax proposal. Member of Parliament contact information can be found on the Crescent Point website at www.crescentpointenergy.com.

2007 Outlook

Crescent Point has a proven track record and a sound business plan built on the three key attributes of a successful energy trust: a proven management group and Board of Directors, an excellent balance sheet, and a high quality reserve base with extensive opportunities to add production and reserves. In 2007, the Trust will continue to aggressively implement its business plan and build on the successes of the past five years.

With the completion of the Mission acquisition, the Trust has more than six years of low risk infill development drilling inventory to sustain current production levels. With projected debt to cash flow of less than 1.0 times and an aggressive three year hedge profile, Crescent Point is well positioned to sustain distributions over time as the Trust continues to exploit and develop its asset base and actively identify and evaluate accretive acquisition opportunities.

In 2007, the Trust will continue to focus on development drilling at its core properties of Viewfield, Manor, Tatagwa, Battrum/Cantuar, Worsley and Glen Ewen. The Trust finalized construction of the Glen Ewen gas plant early in the year, in time for the winter drilling program at Glen Ewen. In addition, the Trust will actively implement development activities at the newly acquired Viewfield Bakken play, including expansion of the Viewfield gas plant from 3 mmcf/d to 6 mmcf/d. Crescent Point's 2007 development capital budget has been set at $150 million, including the drilling of 110.0 net wells, of which approximately 71 (40.0 net) are in the Viewfield Bakken resource play.

The Trust anticipates 2007 cash flow will be in the range of $314 million, or $3.11 per unit, fully diluted, based on forecast pricing of US$60 per barrel WTI, US$0.85 exchange rate, and Cdn$7.50 per mcf AECO. Monthly distributions are anticipated to remain at $0.20 per unit for a payout ratio of 77 percent per unit - diluted. Production is forecast at 26,250 boe/d.

2007 Outlook

Average daily production	26,250 boe/d
Total annual distributions per unit	$ 2.40
Payout ratio	77%
Debt to cash flow	less than 1.0 times
Capital expenditures	$ 150 million

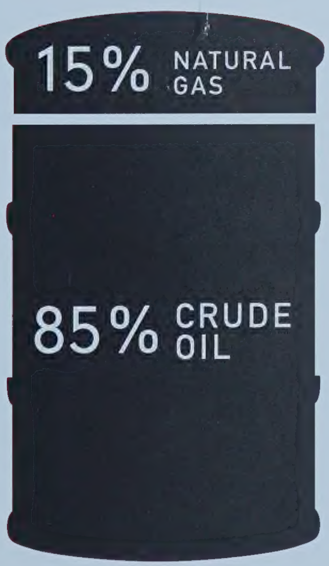
The Trust continues to actively manage its three year commodity hedging program, with more than 53 percent of volumes hedged in 2007, more than 44 percent in 2008, and more than 22 percent in 2009. Hedge instruments utilized in the program include swaps, collars and put options, providing a floor of more than Cdn$70 per barrel, with upside potential if prices strengthen above current levels. The balance sheet remains strong, with projected net debt less than 1.0 times annualized cash flow and significant unutilized credit lines.

Crescent Point's management believes that with the high quality reserve base and development inventory, excellent balance sheet and hedging program, the Trust is well positioned to continue generating strong operating and financial results and delivering sustainable distributions through 2007 and beyond.

At this time, I extend sincere thanks to Crescent Point's management team and employees for their dedicated efforts in delivering outstanding results throughout the past year, to all the members of the Board of Directors for their guidance, and to the Trust's unitholders for their support of the Crescent Point business model.

On behalf of the Board of Directors,

Scott Saxberg
President and Chief Executive Officer



Production Mix

2007 production is forecast at 26,250 boe/d, 85% weighted to crude oil

OPERATIONS

The Crescent Point Strategy: A Proven Commodity

Crescent Point's strategy since inception is to use its large, low risk drilling inventory to maintain production, cash flow and distributions, while constantly searching for opportunities to grow through accretive acquisitions. These two strategic pillars are related and are supported by a third element, which is maintaining a strong balance sheet and risk management program that creates the financial strength to execute the strategy.

The Trust's six year drilling inventory is an industry leader and it is built on an asset base of large resource in place oil and gas pools that have a low average recovery factor to date with significant production and reserves upside. These large resource in place pools offer both sustainability and growth due to a long standing petroleum industry phenomenon: large resource in place pools tend to outperform their initial estimates over time. Crescent Point has repeatedly demonstrated its understanding of this phenomenon and its technical ability to capitalize on it: on average since inception, Crescent Point has grown proved plus probable reserves by 130 percent per year. Cumulative positive reserve revisions to date make up 24 percent of year end proved plus probable reserves. Due to their scale, even a small percentage increase in the recovery factor of these large resource in place pools equates to major increases in reserves and net asset value.

Crescent Point maintains a conservative approach to its balance sheet and risk management program. The Trust targets a debt to cash flow ratio of 1.0 times or less and actively hedges production with a rolling three year risk management program utilizing a combination of swaps, collars and puts. With this conservative approach, the Trust is well positioned to maintain distributions through commodity price cycles and to pursue accretive growth opportunities as they become available.

Through accretive acquisitions and development activities, Crescent Point has grown production on average by 88 percent per year and cash flow by 107 percent per year.

Succeeding at this business model requires financial discipline and technical expertise to identify high quality pools and quantify the upside potential through detailed engineering, geological and financial analysis. Crescent Point has the management experience and the technical team to execute this business plan.

2006 Operations Highlights

In 2006, Crescent Point continued to create sustainable, value added growth in production, reserves and cash flow through the execution of management's integrated strategy of acquiring, exploiting, developing and optimizing its high quality, long life light oil and natural gas properties.

It was another record year operationally for the Trust, achieving low finding, development and acquisition costs of $12.34 per proved plus probable boe with a fifth consecutive year of strong positive reserve revisions. Crescent Point had another record year for development capital expenditures including a 100 percent drilling success rate over 103 (77.4 net) wells. In addition, with the acquisition of Mission, the Trust increased original oil in place ("OOIP") by 67 percent to more than 2.5 billion barrels.

The Trust increased net asset value per unit to $21.61. Crescent Point has increased NAV per unit every year since inception. With the acquisition of Mission, NAV per unit increased to $22.05.

Focused Asset Base

2006 Operational Highlights:

- Achieved low 2006 finding and development costs, excluding change in future development costs, of $9.86 per proved plus probable boe and $13.06 per proved boe of reserves. This equates to a proved plus probable recycle ratio of 3.5 times. Including change in future development costs, the Trust's 2006 finding and development costs are $13.53 per proved plus probable boe and $14.85 per proved boe;

- Achieved low 2006 finding, development and acquisition costs, excluding change in future development costs, of $12.34 per proved plus probable boe and $15.97 per proved boe of reserves. This equates to a proved plus probable recycle ratio of 2.8 times. Including future development costs, the Trust's finding, development and acquisition costs for 2006 are $13.16 per proved plus probable boe and $16.36 per proved boe;

- Increased the Trust's year end reserve base by 94 percent on a proved basis and 88 percent on a proved plus probable basis. Crescent Point's year end 2006 reserves are 64.0 million boe proved and 90.3 million boe proved plus probable, up from 32.9 million boe proved and 47.9 million boe proved plus probable at the end of 2005. Year end reserves were independently evaluated by GLJ Petroleum Consultants Ltd. ("GLJ") and Sproule Associates Ltd. ("Sproule") utilizing NI 51-101 reserve definitions. With the acquisition of Mission Oil & Gas Inc. on February 9, 2007, the Trust increased its independently assigned reserve base to 79.9 million boe proved and 115.3 million boe proved plus probable, and its proved plus probable reserves life index to 11.9 years;

- Achieved a fifth consecutive and record year of strong positive reserve revisions, which added 11.2 million boe of incremental reserves. Approximately 21.6 million boe of the Trust's year end reserve base of 90.3 million boe are derived from independently recognized net positive reserve revisions since inception, which highlights the Trust's proven technical track record and its ability to successfully execute its business plan;

- Increased the Trust's year end net asset value by 43 percent to $21.61 per unit from $15.12 per unit;

- Completed 11 net acquisitions for a total purchase price of $506.2 million, net of closing adjustments. The acquisitions added 8,280 boe/d of production, 30.2 million boe proved and 38.8 million boe proved plus probable reserves and added 207 (131 net) drilling locations to the Trust's inventory;

- Increased the Trust's asset base to more than 2.5 billion barrels OOIP with the successful completion of the Mission acquisition on February 9, 2007;

- Increased the Trust's low risk drilling inventory to 870 net locations including Mission. The Trust's future development projects total $1.1 billion, which is a leader for trusts of Crescent Point's size;

- Successfully executed a record capital drilling program including an acceleration of the Trust's winter drilling program and construction of the Glen Ewen gas plant, spending $110 million during the year. The Trust drilled 103 (77.4 net) wells in 2006, double that of 2005, achieving a success rate of 100 percent. Initial interest production added was more than 5,100 boe/d; and

- Increased daily average production by 70 percent to 20,723 boe/d in 2006 from 12,164 boe/d in 2005. Production is currently more than 26,500 boe/d, including the Mission acquisition.

Operations Review: Executing the Strategy

The foundation of management's integrated business strategy, and sustainable trust model is the Trust's high quality asset base consisting of focused, large resource in place oil and gas reservoirs with low average production declines and large production and reserve upside. These assets are managed by multi-disciplinary business teams consisting of experienced geologists, engineers, landmen, accountants and field operators who create long term value by maximizing recoveries and minimizing costs.

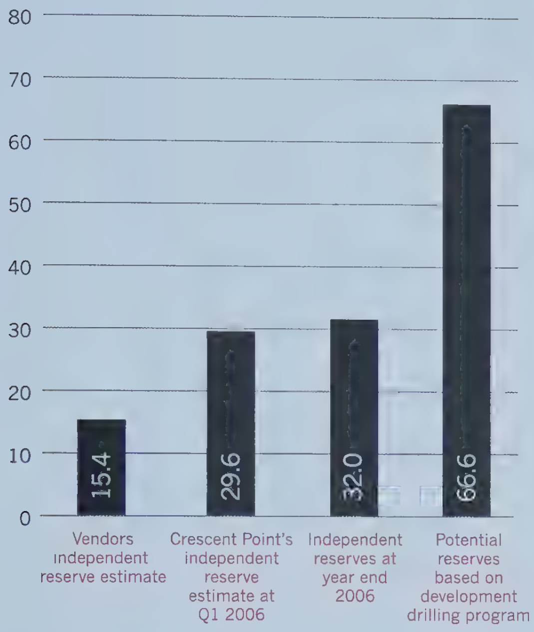
In 2006, these teams focused on several value added initiatives at the Trust's core areas of Battrum/Cantuar, Manor, Tatagwa, Glen Ewen, Worsley and Sounding Lake.

Crescent Point's new core area of Battrum/Cantuar was acquired in January 2006. The Trust immediately initiated a detailed engineering study that resulted in the recompletion of 34 (15.4 net) wells and the drilling of 11 (4.7 net) wells at Battrum with a 100 percent success rate. At non operated Cantuar Unit, a further 19 (10.5 net) wells were drilled, also with a 100 percent success rate. These activities added initial interest production of more than 850 boe/d, which was brought on stream during the fourth quarter of 2006 and first quarter of 2007. Drilling activities, along with strong positive reserve revisions, resulted in an incremental 4.9 million boe of proved plus probable reserves being assigned at year end relative to the 29.6 million barrels reported after the Trust's detailed technical review at the time of the acquisition.

After detailed technical work conducted in 2005, the Trust drilled 3 (3.0 net) 75-metre infill horizontal wells in 2006 at Manor, achieving a 100 percent success rate and adding over 300 boe/d of initial incremental production. The wells encountered virgin reservoir, indicating the oil in place could be more effectively drained at the closer spacing. Independent engineers assigned incremental reserves to 14 (14.0 net) 75-metre infill horizontal locations and assigned incremental net proved plus probable reserves of 1.0 million boe at Manor based on 2006 performance.

BATTRUM/CANTUAR

P+P RESERVES (MMBOE)



Crescent Point has more than doubled reserves at Battrum/Cantuar since aquiring these assets in early 2006

At the Tatagwa Unit, the Trust updated an extensive geological and reservoir engineering study. Based on this detailed study and the flat production profile exhibited by the waterflood, independent engineers have assigned to the Trust an incremental 1.2 million boe of proved plus probable reserves. Study results will lead to further optimization and the implementation of increased injection capacity for the waterflood in 2007.

At Sounding Lake, a field wide upgrade and expansion of the gathering and injection system was conducted to prepare for the long term development of the Cummings, Dina and Sparky waterfloods. Approval for the Sparky formation waterflood is anticipated by mid 2007 and water injection is planned for later in the year. Also during the year, the Trust drilled a total of 8 (7.3 net) oil wells in the Sounding Lake area achieving a 100 percent success rate and adding over 265 boe/d of initial interest production.

In early 2006, Crescent Point created a new core area at Worsley with the acquisitions of Canex Energy Inc. and a private Alberta based oil and gas company. The Trust commenced detailed technical work at the property to attain Good Production Practice ("GPP") status to remove regulatory production restrictions. Waterflood approvals were obtained at two of the three pools and the third is expected in mid 2007. Debottlenecking projects were initiated and negotiations for incremental processing capacity are ongoing. An incremental 1 mmcf/d of capacity has already been negotiated and the Trust is negotiating with operators of several area plants for further capacity. As a result of these activities, the Trust anticipates more than 600 boe/d of currently restricted production will be brought on stream in 2007 as the property is further delineated and developed.

The Trust further consolidated the Worsley area with the February 9, 2007 acquisition of Mission. Assets acquired include an additional 550 boe/d of production in the Worsley area.

At Glen Ewen, construction of the 3 mmcf/d gas plant began in the fourth quarter of 2006 and was brought on line in the first quarter of 2007. The gas plant will accommodate the Trust's incremental associated gas production at Glen Ewen and will result in higher netbacks on the Trust's natural gas and liquids production in the area. 14 (14.0 net) wells are budgeted to be drilled at Glen Ewen from late 2006 to the end of 2007.

5 year F&D costs of $9.97 Per Proved Plus Probable Boe

2006 Reserves Additions	Proved Plus Probable	Proved
Finding & Development Cost	$9.86	$13.06
Finding, Development & Acquisition Cost	$12.34	$15.97

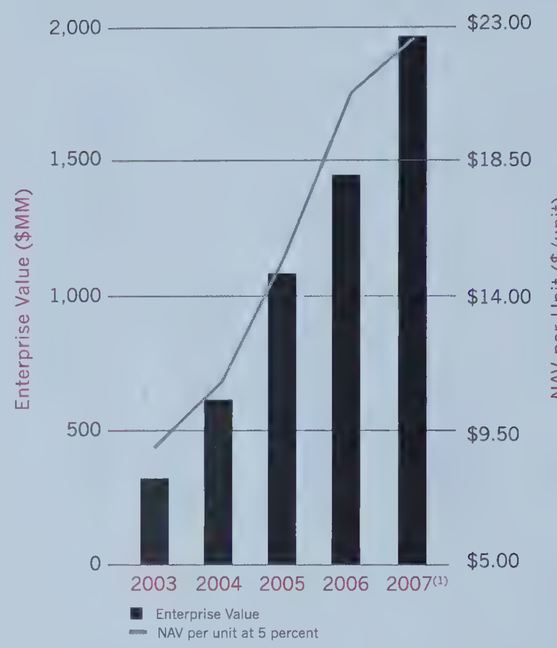
Crescent Point achieved low 2006 finding and development costs, excluding change in future development costs, of $9.86 per proved plus probable boe and $13.06 per proved boe. The Trust's five year rolling average finding and development cost is $9.97 per proved plus probable boe.

Proven Track Record: 5 Strong Years of Positive Reserve Revisions

Over the past five years, Crescent Point has developed a proven track record of creating value added growth in reserves, production and cash flow through strategic accretive acquisitions and the successful exploitation and development of its high quality asset base. In 2006, the Trust demonstrated its fifth consecutive and a record year of independently recognized positive reserve revisions. This track record is the result of the Trust's ability to identify high quality large resource in place assets with significant upside potential and its ability to implement technical plans to increase recovery factors and reserves. With more than six years of drilling inventory, the Trust has the potential to double its proved plus probable reserves over time utilizing infill drilling techniques, waterfloods and production optimization.

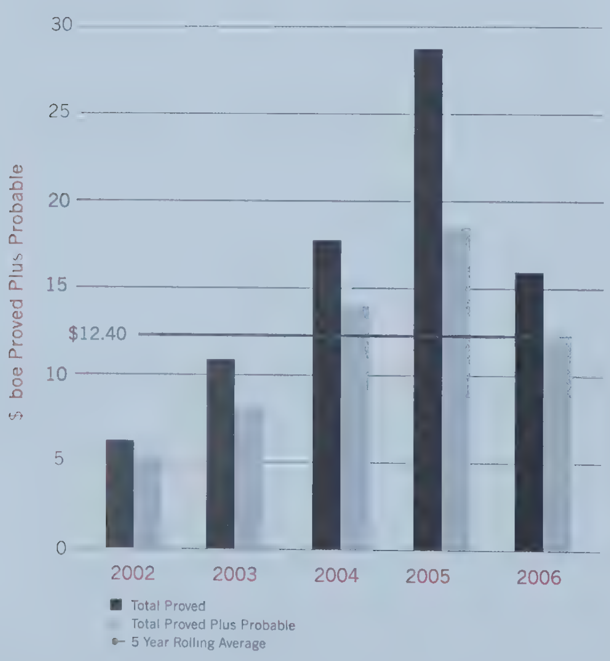
In 2006, the Trust added 49.9 million boe of proved plus probable reserves, including 11.2 million boe of proved plus probable reserves due to positive reserve revisions. These 11.2 million boe are on top of a cumulative 10.4 million boe of proved plus probable technical and development reserve additions over the previous five years.

NAV PER UNIT AND ENTERPRISE VALUE

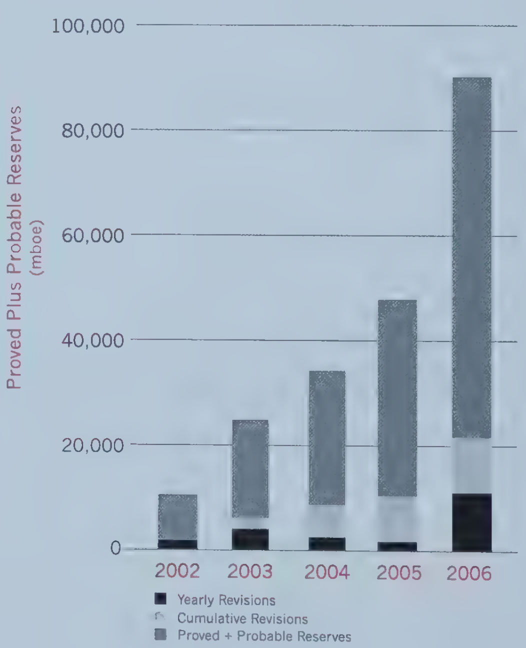


(1) Based on year end 2006 NAV including February 9, 2007 acquisition of Mission

FINDING, DEVELOPMENT AND ACQUISITION COSTS



CONTRIBUTION OF RESERVES REVISIONS



OPERATIONS

2006 Acquisitions

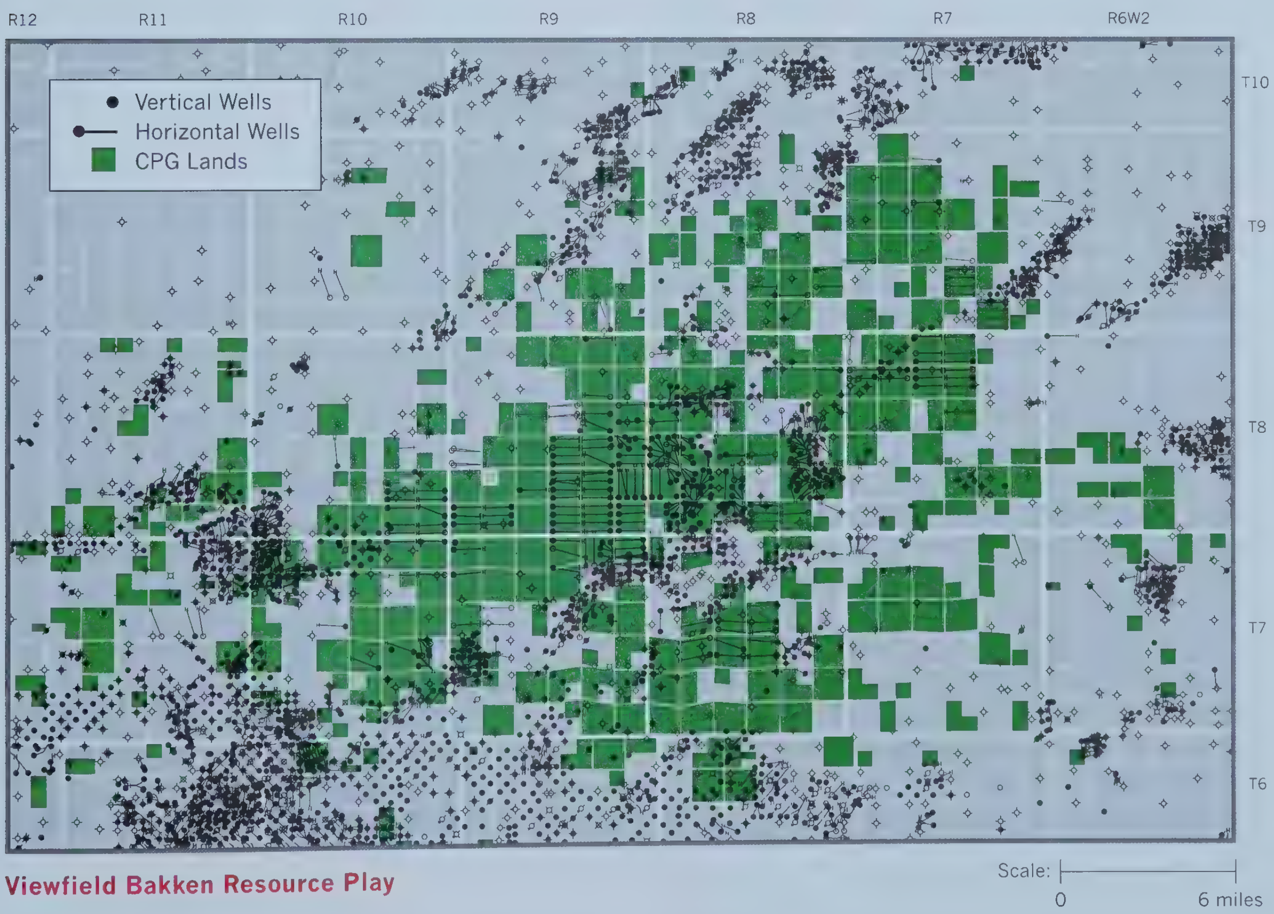
Crescent Point's acquisition strategy is a key component of its business plan. The Trust focuses on large oil or gas in place properties that are operated with high working interests and netbacks, development drilling upside, and the potential to increase reserves over time. The Trust's disciplined approach to acquisitions has provided unitholders with year over year growth in reserves, production and cash flow.

2006 was another successful year of acquisitions as Crescent Point completed 11 net acquisitions and one in early 2007, of which 10 were consolidations within the Trust's core areas. These acquisitions added more than 15,000 boe/d of production and 63.7 million boe on a proved plus probable basis. In addition, the Trust's reserve life index increased to 11.9 years from 11.1 years on a proved plus probable basis.

February 2007 Acquisition of Mission Oil & Gas Inc.

The acquisition of Mission Oil & Gas Inc. via a Plan of Arrangement on February 9, 2007, represents the Trust's largest acquisition to date and demonstrates its commitment to acquisitions of high quality, large resource in place assets with significant upside. Through Mission, the Trust acquired a controlling interest in the fifth largest oil pool discovered in western Canada. Crescent Point estimates that the Viewfield Bakken resource play contains more than 1 billion barrels of Original Oil in Place. It contains high netback, light sweet crude oil and liquids rich associated natural gas with more than 900 (570 net) drilling locations, increasing the Trust's drilling inventory to 870 net, or more than six years of drilling to sustain current production levels. Based on analog pool recovery factors and waterflood simulations, the Trust sees in the Viewfield Bakken the potential for an incremental 170 million boe of proved plus probable reserves.

With the acquisition, Crescent Point becomes the second largest producer in southeast Saskatchewan and the most active in terms of drilling. The Trust also becomes the dominant player in the Viewfield Bakken play due to the Trust's high operating and working interest, control of infrastructure, and ownership in more than 143 net sections – more than 300 square miles – of contiguous land in the Bakken play.



Viewfield Bakken Resource Play

This area dominance allows the Trust a strategic competitive advantage through economies of scale and influence over the cost and availability of supplies and services.

The Bakken formation is a sandstone reservoir found at a depth of 1,600 metres with a pay of 3 to 6 metres and average porosity of 12 percent. Recent advances in horizontal drilling and fracture stimulation completion techniques, along with high quality, light sweet oil reserves, low operating costs and low royalty rates, make the Bakken one of the most economically attractive pools in western Canada.

To the end of 2006, over 149 gross wells have been drilled on Trust owned lands with a 100 percent success rate. Current interest production exceeds 5,000 boe/d. The Trust has internally identified over 900 (570 net) drilling locations with a risked production potential of close to 30,000 boe/d. This large drilling inventory, along with strategic decisions regarding the timing of fracture stimulation programs, provides the Trust with significant flexibility in the implementation of its capital development activities.

Other assets acquired in the Mission Plan include properties adjacent to and contiguous with properties in Crescent Point's core areas of Worsley, Battrum/Cantuar and Sounding Lake. Combined, Mission's sustainable production is estimated at more than 6,000 boe/d comprised of 90 percent high netback light oil and 10 percent liquids rich natural gas. Operating costs average less than $7.00 per boe and royalty rates are less than 15 percent. In 2006, Mission had one of the highest netbacks in the industry, averaging $47.13 per boe.

Low Risk Development Drilling Inventory of More Than Six Years

Crescent Point has a significant low risk development inventory with more than 870 net locations representing more than 45,000 boe/d of risked production additions. The Trust uses this development drilling inventory to maintain production and to provide a long term base to sustain distributions.

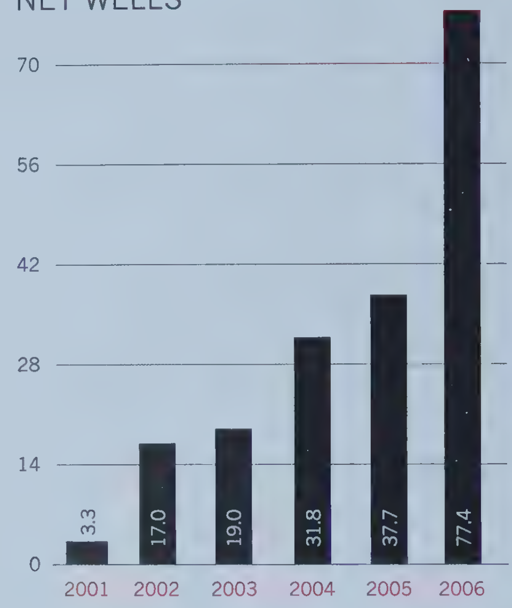
Since inception, Crescent Point has demonstrated a successful record of development drilling. Over the past six years, the company has drilled 186.2 net wells with a success rate of greater than 95 percent, adding more than 9,800 boe/d of initial interest production. The Trust has generated an average rate of return of greater than 200 percent, achieving five year rolling average proved plus probable finding and development costs of $9.97 per boe and a recycle ratio of 3.2 times.

2006 was another record year of successful capital activity for Crescent Point. The Trust drilled 103 (77.4 net) wells including 102 (76.4 net) oil wells and 1 (1.0 net) service well, achieving a 100 percent success rate and adding over 5,100 boe/d of initial interest production.

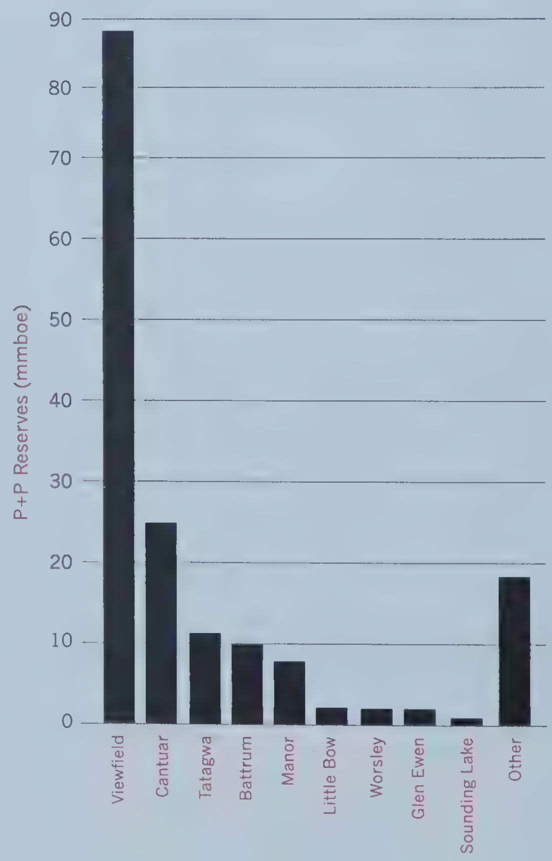
The Trust's current drilling inventory contains more than 870 net low risk locations, all defined by three dimensional seismic, geology and engineering. 570 of these locations are in the Viewfield Bakken resource play.

Crescent Point has drilled over 186 net wells since inception. The average rate of return is greater than 200 percent

NET WELLS



P+P RESERVES DEVELOPMENT POTENTIAL



Crescent Point drilled 103 (77.4 net) wells in 2006 with a 100 percent success rate. The Trust added over 5,100 boe/d of initial interest production and achieved a recycle ratio of 3.5 times

Year ended December 31, 2006	Gas	Oil	D&A	Service	Standing	Total	Net	% Success
Southeast Saskatchewan	-	59	-	1	-	60	53.2	100
Southwest Saskatchewan	-	30	-	-	-	30	15.2	100
South/Central Alberta	-	10	-	-	-	10	7.6	100
Northeast BC and West Peace River Arch, AB	-	3	-	-	-	3	1.4	100
Total	-	102	-	1	-	103	77.4	100

2007 Development Drilling and Capital Plans

In 2007, the Trust will continue to aggressively implement management's integrated strategy of acquiring, exploiting, developing and optimizing its high quality, long life light oil and natural gas properties.

Crescent Point plans to drill up to 164 (110.0 net) wells on interest lands in 2007, including up to 104 (70.7 net) in the Trust's core southeast Saskatchewan area. 71 (40.0 net) of these wells are planned for the Viewfield Bakken resource play. The Trust will also expand the existing Viewfield gas plant, doubling its capacity to 6 mmcf/d and adding full fractionation. The expansion will accommodate the Trust's growing Bakken production and is expected to be complete by the end of the third quarter.

In 2007, the Trust will continue development projects at its Manor, Tatagwa and Glen Ewen core areas in southeast Saskatchewan. 10 (10.0 net) wells are planned for Manor, including 2 (2.0 net) 75-metre infill horizontal locations. At Tatagwa, the Trust plans 2 (1.4 net) injector wells for the Tatagwa Unit waterflood and at Glen Ewen, the Trust will drill 14 (14.0 net) wells from late 2006 to the end of 2007, with production going through the new 3 mmcf/d gas plant which was brought on stream in the first quarter of 2007.

In the Battrum/Cantuar area, the Trust has plans to drill up to 36 (18.5 net) wells on interest lands in 2007, including 16 (7.4 net) locations in the Battrum Units. The Trust will also pursue ongoing reactivation opportunities at both Battrum and Cantuar.

Additional 2007 development drilling includes up to 15 (14.5 net) wells at Sounding Lake, John Lake and Little Bow. 6 (6.0 net) of those wells are expected to be drilled at Sounding Lake, where the Trust expects to receive regulatory approval to begin waterflood activities by mid year.

At Worsley, GPP approval for the third of the three pools is anticipated for mid year, allowing for the removal of regulatory restrictions on about 600 boe/d of production. The Trust also anticipates finalizing negotiations for additional processing capacity and the completion of debottlenecking projects in the area. The Trust expects drill up to 9 (6.9 net) wells at Worsley in 2007.

reserves

All reserves information has been prepared in accordance with National Instrument ("NI") 51-101. This report contains several cautionary statements that are specifically required by NI 51-101. In addition to the detailed information disclosed in this annual report, more detailed information is included in the Trust's Annual Information Form ("AIF").

In 2006, Crescent Point replaced 147 percent of production, not including reserves added through acquisitions. Including acquisitions, the Trust replaced 660 percent of production and increased its year end reserves to 90.3 million boe proved plus probable and 64.0 million boe proved. By comparison, year end 2005 reserves were 47.9 million boe proved plus probable and 32.9 million boe proved.

The Trust's year end reserves were independently evaluated by GLJ and Sproule as at December 31, 2006.

During 2006, oil and gas capital expenditures (excluding acquisitions) were $110.0 million. Based on reserve additions of 11.2 million boe proved plus probable and 8.4 million proved, the Trust had finding and development costs, excluding change in future development costs, of $9.86 per proved plus probable boe and $13.06 per proved boe. The Trust's five year rolling average for finding and development costs is $9.97 per proved plus probable boe.

The Trust's finding, development and acquisition costs for 2006, excluding change in future development costs, were $12.34 per proved plus probable boe and $15.97 per proved boe. The Trust's five year rolling average for finding, development and acquisition costs is $12.40 per proved plus probable boe. Including future development costs, the Trust's finding, development and acquisition costs for 2006 were $13.16 per proved plus probable boe and $16.36 per proved boe.

The Trust's net asset value per unit increased to $21.61 (discounted at 5 per cent) at year end 2006, up from $15.12 the year previous. The Trust has increased NAV per unit every year since inception.

With the closing of the Mission acquisition on February 9, 2007, the Trust's year end reserve base increased to 115.3 million boe proved plus probable and 79.9 million boe proved. This increases the Trust's proved plus probable reserve life index to 11.9 years from 11.1 at year end 2005 and increases NAV per unit to $22.05, utilizing year end 2006 escalated price forecasts.

Year End 2006 Reserves Summary

At year end December 31, 2006 [1]

ESCALATED PRICING

	Reserves [2]								Before Tax Net Present Value ($000)			
	Oil (MSTB)		Gas (MMSCF)		NGL (MBbls)		Total (MBOE)		Discount Rate			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Undiscounted	10%	12%	15%
Proved Producing	48,439	40,200	29,520	23,784	306	245	53,665	44,409	1,473,196	848,765	788,307	714,801
Proved Non Producing	8,415	7,212	9,439	6,593	298	225	10,286	8,536	240,485	132,286	119,617	103,674
Total Proved	56,854	47,412	38,959	30,377	604	470	63,951	52,945	1,713,681	981,051	907,924	818,475
Probable	23,635	19,745	14,446	11,261	327	255	26,370	21,876	843,521	279,546	241,785	199,505
Proved Plus Probable [3]	80,489	67,157	53,405	41,638	931	725	90,321	74,821	2,557,202	1,260,597	1,149,709	1,017,980

(1) Based on GLJ's January 1, 2007 escalated price forecast.

(2) "Gross Reserves" are the total Trust's interest share before the deduction of any royalties and without including any royalty interests of the Trust. Net Reserves" are the total Trust's interest share after deducting royalties and without including any royalty interests.

(3) Numbers may not add due to rounding.

Year End 2006 Reserves Summary

At year end December 31, 2006

CONSTANT PRICING

	Reserves [1]								Before Tax Net Present Value ($000)			
	Oil (MSTB)		Gas (MMSCF)		NGL (MBbls)		Total (MBOE)		Discount Rate			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Undiscounted	10%	12%	15%
Proved Producing	48,558	40,279	28,852	23,214	306	245	53,673	44,394	1,353,810	799,078	743,024	674,316
Proved NonProducing	8,405	7,200	9,432	6,587	298	225	10,276	8,521	225,055	123,345	111,277	96,049
Total Proved	56,963	47,479	38,284	29,801	604	470	63,949	52,915	1,578,865	922,423	854,301	770,365
Probable	23,738	19,849	14,370	11,189	329	257	26,461	21,971	684,098	249,011	216,912	180,277
Proved Plus Probable [2]	80,701	67,328	52,654	40,990	933	727	90,410	74,886	2,262,963	1,171,434	1,071,213	950,642

(1) "Gross Reserves" are the total Trust's interest share before the deduction of any royalties and without including any royalty interests of the Trust. "Net Reserves" are the total Trust's interest share after deducting royalties and without including any royalty interests.

(2) Numbers may not add due to rounding.

Year End 2006 Reserves Reconciliation

ESCALATED PRICING

	Crude Oil and Liquids (Mstb)			Natural Gas (mmscf)			BOE (Mboe)		
	Proved	Probable	Total	Proved	Probable	Total	Proved	Probable	Total
Opening Balance	28,379	13,022	41,401	27,361	11,890	39,251	32,940	15,003	47,943
Acquired	28,081	8,079	36,160	12,444	3,342	15,787	30,155	8,636	38,791
Disposed	-	-	-	-	-	-	-	-	-
Production	(6,357)	-	(6,357)	(7,239)	-	(7,239)	(7,564)	-	(7,564)
Development	3,432	2,773	6,205	883	513	1,395	3,580	2,858	6,437
Technical Revisions	3,923	88	4,011	5,510	(1,299)	4,211	4,841	(128)	4,713
Closing Balance	57,458	23,962	81,420	38,959	14,446	53,405	63,951	26,370	90,321

Finding, Development and Acquisition Costs (excluding future development costs)

For the year ended December 31, 2006

	Capital Expenditures [1][4]		Reserves [3]				Finding, Development and Acquisition Costs [1][2]	
			Total Proved		Proved Plus Probable		Proved	Proved Plus Probable
	$ 000	%	mboe	%	mboe	%	$/boe	$/boe
Exploration development and revisions	$ 109,995	18%	8,421	22%	11,151	22%	$ 13.06	$ 9.86
Acquisitions, net of dispositions	$ 506,156	82%	30,155	78%	38,791	78%	$ 16.79	$ 13.05
Total	$ 616,151	100%	38,576	100%	49,942	100%	$ 15.97	$ 12.34

(1) Exploration development and revisions exclude the change during the most recent financial year in estimated future development costs relating to proved and proved plus probable reserves respectively. These costs would add $15.0 million and $40.9 million respectively, to the proved and proved plus probable reserves categories. Including these changes, the proved and proved plus probable finding, development and acquisition costs are $16.36 and $13.16 per barrel respectively.

(2) Including change in future development costs, finding and development costs are $14.85 per proved boe and $13.53 per proved plus probable boe.

(3) Gross Trust interest reserves are used in this calculation (interest reserves, before deduction of any royalties and without including any royalty interests of the Trust).

(4) The capital expenditures includes the purchase price of corporate acquisitions rather than the amounts allocated to property, plant and equipment for accounting purposes. The capital expenditures also exclude capitalized administration costs and acquisition costs.

Summary Of Reserves and Economics Including First Quarter 2007 Acquisitions[1]

ESCALATED PRICING

As at December 31, 2006 [(2)]

	Reserves [(3)]								Before Tax Net Present Value ($000)			
	Oil (MSTB)		Gas (MMSCF)		NGL (MBbls)		Total (MBOE)		Discount Rate			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Undiscounted	10%	12%	15%
Proved Producing	55,912	46,897	34,742	28,137	811	709	62,513	52,295	1,836,295	1,093,936	1,020,037	929,618
Proved NonProducing	13,744	12,096	14,586	11,164	1,220	1,068	17,396	15,025	471,514	240,144	214,469	182,638
Total Proved	69,656	58,993	49,328	39,301	2,031	1,777	79,909	67,320	2,307,809	1,334,080	1,234,506	1,112,256
Probable	30,886	26,260	19,778	15,943	1,177	1,037	35,359	29,954	1,241,275	447,253	390,636	326,532
Proved Plus Probable	100,542	85,253	69,106	55,244	3,208	2,814	115,268	97,274	3,549,083	1,781,333	1,625,142	1,438,788

(1) Includes independent engineers' evaluations of Crescent Point 2006 year end, Mission Corporate 2006 year end.

(2) Based on GLJ's December 31, 2006 escalated price forecast.

(3) "Gross Reserves" are the total Trust's interest share before the deduction of any royalties and without including any royalty interests of the Trust. "Net Reserves" are the total Trust's interest share after deducting royalties without including any royalty interests.

Net Asset Value Per Unit, Fully Diluted

UTILIZING INDEPENDENT ENGINEERING ESCALATED PRICING

	2007 [(1)]	2006	2005	2004	2003
PV 0%	$ 33.95	$ 34.08	$ 21.99	$ 16.19	$ 12.72
PV 5%	$ 22.05	$ 21.61	$ 15.12	$ 11.22	$ 9.15
PV 10%	$ 16.23	$ 15.70	$ 11.45	$ 8.56	$ 7.14
PV 15%	$ 12.80	$ 12.27	$ 9.10	$ 6.85	$ 5.83

(1) Includes Crescent Point's 2006 fiscal results and acquisition of Mission Oil & Gas Inc. utilizing January 1, 2007 Independent Engineering Escalated Pricing.

land holdings

As at December 31, 2006, Crescent Point had an undeveloped land base of 170,000 net acres, with an average working interest of approximately 70 percent. With the February 9, 2007 closing of the acquisition of Mission Oil & Gas Inc., Crescent Point's combined net undeveloped land holdings are 300,000 acres.

When reviewing undeveloped land holdings, the goal of the Trust is to establish reserves, production and cash flow from idle or non performing assets with no risked capital. The Trust's skilled technical team achieves this by performing a detailed geological and engineering evaluation to identify those lands which do not meet the criteria for development within the Trust's main focus areas. The Trust then solicits and negotiates farm out and joint venture/sponsorship arrangements with aggressive, technically strong management teams willing to spend growth capital on higher risk, non core land holdings.

During 2006, Crescent Point entered into three farm out/option agreements which have resulted in two wells drilled and one well re-entry to date. Although the terms are slightly different in each agreement, they are structured such that Crescent Point is carried for the costs of each well. The Trust generally receives a convertible gross overriding royalty until payout at which time Crescent Point has the option to convert the royalty to a working interest of approximately 50 percent of Crescent Point's pre farm out working interest.

The Trust's undeveloped land holdings are summarized below:

Acreage Summary	**2007 (1)**	**2006**	**2005**
Net Acres	300,000	170,000	132,000

(1) Net acreage as at February 9, 2007

300,000
Net Acres

870 Net Low Risk Development Drilling Locations

risk management & hedging strategy

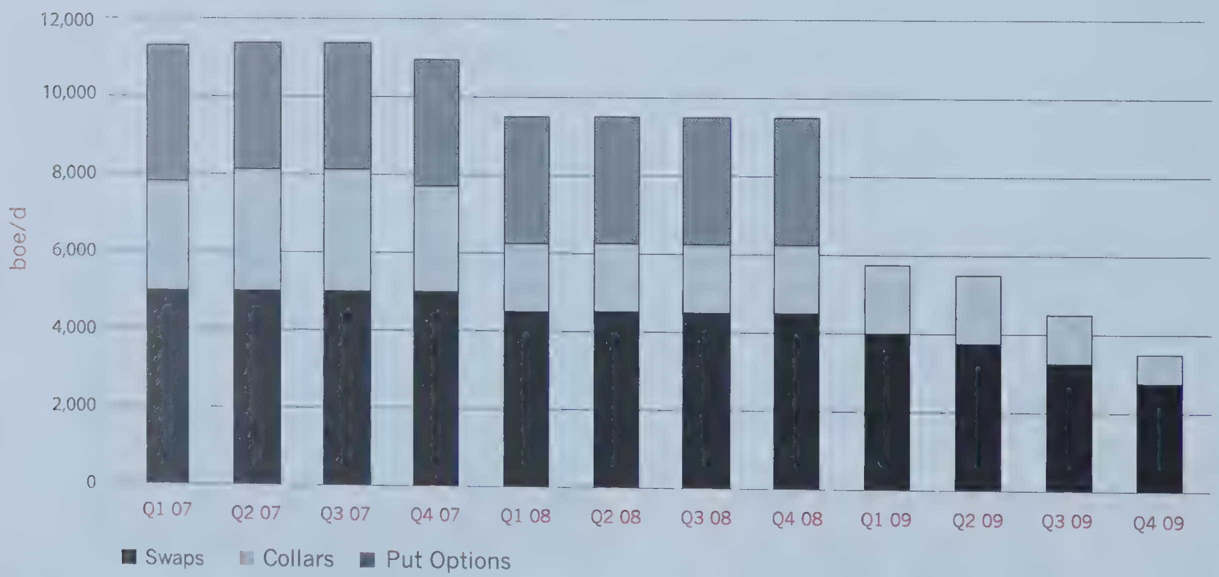
Commodity price risk management has been a key component of Crescent Point's business plan and corporate strategy since the company's inception in 2001. The Trust uses a disciplined, rolling 36-month risk management program that includes a portfolio of swaps, collars and puts to provide stability in crude oil and natural gas prices and in the US/Cdn dollar exchange rate.

This rigorous hedging program is designed to provide stability over the Trust's cash flows and distributions over time, despite the cyclical nature of oil and natural gas prices. Using a combination of instruments, the Trust is provided with downside protection while preserving upside in the event of rising prices.

The Trust's risk management limits allow for the hedging of up to 50 percent of after crown royalty volumes over a 36-month period. Hedge volumes may be increased at management's discretion to a limit of 65 percent of after crown royalty volumes provided that the hedge volumes over and above the 50 percent limit are in the form of purchased put options.

As of February 28, 2007, the Trust had approximately 53 percent of after crown royalty volumes hedged in 2007 at levels above Cdn $70 per boe. More than 44 percent of 2008 volumes were hedged above Cdn $70 per boe and more than 22 percent of 2009 volumes were hedged above Cdn $74 per boe.

TOTAL HEDGES (boe/d as at February 28, 2007)



RISK MANAGEMENT & HEDGING STRATEGY

corporate governance

The Board of Directors and the members of Crescent Point's management are committed to the highest standards of corporate governance. Crescent Point employs a variety of policies, programs and practices to manage corporate governance and ensure compliance is maintained. The Trust's Board of Directors and management believe that strong corporate governance is an essential ingredient in the creation of unitholder value and the maintenance of investor confidence. To this end, Crescent Point has established a strong corporate governance culture built on integrity, accountability and transparency. Our commitment to governance excellence is highlighted through the following mechanisms:

The Board of Directors is responsible for the effective stewardship of Crescent Point on behalf of all unitholders. The Board fulfills its mandate through five standing subcommittees, each with a clearly defined charter. These are the Audit Committee, the Compensation Committee, the Reserves Committee, the Corporate Governance and Nominating Committee, and the Environment, Health and Safety (EH&S) Committee.

Governance Policies

Crescent Point has several key governance policies, including a Whistleblower Policy, a Disclosure Policy, and a Code of Conduct. These policies facilitate an ethical and honest business environment for management and staff by calling for full, fair, accurate, and timely public disclosures; compliance with applicable laws, rules and regulations; and prompt internal reporting of policy violations to the Board Chair and Chief Financial Officer.

Audit Committee Oversight

Crescent Point's Audit Committee assists the Board of Directors in fulfilling its oversight responsibilities by monitoring Crescent Point's internal controls and by reviewing all financial disclosures prior to public release. In addition, the Audit Committee reviews and approves annually the external auditors' audit plan and must approve any non audit work performed by the external auditors.

Bill 198

The Ontario Securities Commission introduced Multi-Lateral Instrument 52-109 in 2004. This regulation is being phased in over several years and requires Crescent Point's Chief Executive Officer and Chief Financial Officer to certify on the reliability of financial disclosures and on the effectiveness of controls supporting those disclosures. During 2005, the Trust commenced a comprehensive program to formally document and evaluate the effectiveness of all organizational processes and controls that impact its corporate disclosures. In 2006, the Trust was fully compliant with certification requirements for Bill 198. The certification requires that the disclosure controls and procedures have been operating effectively during the current year, and that the Trust has designed a process of internal control over financial reporting which has been effected by the Trust's Board of Directors and management.

environment, health and safety

The health and safety of employees, contractors, visitors and the public, as well as the protection of the environment, is of utmost importance to Crescent Point. The Trust endeavours to conduct its operations in a manner that will minimize both adverse effects and consequences of emergency situations by:

- Complying with government regulations and standards;
- Conducting operations consistent with industry codes, practices and guidelines;
- Ensuring prompt, effective response and repair to emergency situations and environmental incidents;
- Providing training to employees and contractors to ensure compliance with Trust safety and environmental rules and procedures;
- Promoting the aspects of careful planning, good judgment, implementation of the Trust's procedures, and monitoring Trust activities;
- Communicating openly with members of the public regarding our activities; and
- Amending the Trust's policies and procedures as may be required from time to time.

Crescent Point believes that all employees play a vital role in achieving excellence in environmental, health and safety performance. This is best achieved through careful planning and the support and active participation of everyone involved.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis ("MD&A") is dated March 12, 2007 and should be read in conjunction with the audited consolidated statements for the year ended December 31, 2006 for a full understanding of the financial position and results of operations of Crescent Point Energy Trust ("Crescent Point" or the "Trust").

Non-GAAP Financial Measures

Throughout this discussion and analysis, Crescent Point uses the terms cash flow from operations, cash flow from operations per unit, cash flow from operations per unit – diluted, distributable cash, payout ratio, payout ratio per unit – diluted, net debt, market capitalization and total capitalization. These terms do not have any standardized meaning as prescribed by Canadian generally accepted accounting principles ("GAAP") and therefore they may not be comparable with the calculation of similar measures presented by other issuers.

Cash flow from operations is calculated based on cash flow from operating activities before changes in non-cash working capital and asset retirement obligation expenditures. Management utilizes cash flow from operations as a key measure to assess the ability of the Trust to finance distributions, operating activities, capital expenditures and debt repayments. Cash flow from operations as presented is not intended to represent cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with Canadian GAAP.

The following table reconciles the cash flow from operating activities to cash flow from operations:

($000)	2006	2005	% Change
Cash flow from operating activities	**177,426**	94,247	88
Changes in non-cash working capital	**10,691**	14,512	(26)
Asset retirement expenditures	**1,018**	1,026	(1)
Cash flow from operations	**189,135**	109,785	72

Distributable cash is calculated based on cash flow from operating activities before changes in non-cash working capital and asset retirement obligation expenditures and after deducting reclamation fund contributions. Management utilizes distributable cash as a measure of the total amount of cash available for distribution to unitholders. Payout ratio is calculated as the proportion of cash distributions to cash flow from operating activities before changes in non-cash working capital and asset retirement obligation expenditures. Management utilizes the payout ratio to measure the stability and sustainability of both the Trust and distributions to unitholders.

Net debt is calculated as current liabilities less current assets, excluding risk management assets and liabilities, and including long term investments. Management utilizes net debt as a key measure to assess the liquidity of the Trust. Market capitalization is calculated by applying the year end closing unit trading price to the number of trust units outstanding and issuable for exchangeable shares. Market capitalization is an indication of the enterprise value. Total capitalization is calculated as market capitalization and current liabilities, less current assets and long term investments, excluding the risk management asset and liabilities. Total capitalization is used by management to measure the proportion of net debt in the Trust's capital structure.

A barrel of oil equivalent ("boe") is based on a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

Forward Looking Information

Certain statements contained in this report constitute forward-looking statements and are based on the Trust's beliefs and assumptions based on information available at the time the assumption was made. By its nature, such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Trust and Crescent Point Resources Inc. ("CPRI"), believe the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements speak only as of the date of this report.

The material assumptions in making these forward-looking statements are disclosed in this report under the headings "Cash Distributions", "Taxation of Cash Distributions", "Capital Expenditures", "Asset Retirement Obligation", "Liquidity and Capital Resources", "Critical Accounting Estimates", "New Accounting Pronouncements", and "Business Risks and Prospects".

This disclosure contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Crescent Point's control, including the impact of general economic conditions; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; increased competition and the lack of availability of qualified personnel or management; fluctuations in commodity prices, foreign exchange or interest rates; stock market volatility and obtaining required approvals of regulatory authorities. In addition, there are numerous risks and uncertainties associated with oil and gas operations and the evaluation of oil and gas reserves. Therefore Crescent Point's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and if such actual results, performance or achievements transpire or occur, or if any of them do so, there can be no certainty as to what benefits Crescent Point will derive there from.

Federal Government Proposal to Tax Income Trusts

On October 31, 2006, the Minister of Finance for the Government of Canada announced a proposal to tax the distributions of certain publicly traded income trusts. Draft legislation regarding the proposal was released by the government in late December 2006 and, in late January 2007, the House of Commons Standing Committee on Finance held special public hearings into the matter. It is not yet known if the proposal will be enacted into law in the form announced, if at all. Should it be enacted into law in its current form, it would apply to Crescent Point after four years and would come into effect in the 2011 tax year.

On December 15, 2006, the federal government announced guidelines with respect to the implementation of the proposed tax on income trust distributions. Included were guidelines setting limits on the expansion of existing income trusts prior to the 2011 tax year. An existing income trust, like Crescent Point, would be allowed to grow by the amount of its Safe Harbour Limit, which was defined as a percentage of the trust's market capitalization as of October 31, 2006. The Safe Harbour Limit was determined to be 40 percent in 2007 and 20 percent for each of 2008, 2009 and 2010 for a total of 100 percent of the Trust's October 31, 2006 market capitalization.

Results of Operations

Production

Production increased by 70 percent year-over-year due to 11 net acquisitions completed in 2006, the acquisitions completed in the second half of 2005 and the successful 2006 drilling results.

The main acquisitions generating the increase in production include the acquisition of two corporations with properties in the Cantuar and Battrum areas of southwest Saskatchewan in January 2006 which added approximately 5,000 boe/d of initial medium oil production. The acquisition of Bulldog Energy Inc. in November 2005 added approximately 1,925 boe/d of initial light oil production in the Manor area of southeast Saskatchewan and the acquisition of a private consortium of companies with properties in the Glen Ewen area of southeast Saskatchewan in July 2005 added approximately 1,050 boe/d of initial light oil and natural gas production. Lastly, the acquisition of Canex Energy Inc. in May 2006 added approximately 975 boe/d of initial light oil and natural gas production in the Peace River Arch area of northwest Alberta.

The Trust's weighting to oil increased from 76 percent to 84 percent in the year. This increase was largely the result of the acquisitions completed in 2006 which were focused on light and medium oil assets.

	2006	2005	% Change
Crude oil and NGL (bbls/d)	**17,417**	9,196	89
Natural gas (mcf/d)	**19,833**	17,810	11
Total (boe/d)	**20,723**	12,164	70
Crude oil and NGL (%)	**84**	76	8
Natural gas (%)	**16**	24	(8)
Total (%)	**100**	100	-

Marketing and Prices

The Trust's average oil price for the year increased two percent over 2005, while the benchmark WTI price increased by 17 percent. The two percent increase in the corporate price reflects the increase in market prices, offset by widening corporate oil differentials and a stronger Canadian dollar. Crescent Point's oil differential widened from $9.63 per bbl in 2005 to $15.25 per bbl in 2006 primarily due to a reduction in the average crude quality of the Trust as a result of the acquisition of properties in the Cantuar and Battrum areas of southwest Saskatchewan in January 2006.

The Trust's realized prices, netbacks, revenues, cash flow from operations and payout ratios are expected to become more seasonal due to the impact of the Cantuar and Battrum properties which typically realize wider price differentials in the first and fourth quarters. This makes comparisons between 2005 and 2006 more difficult. The impact will be offset somewhat in the future due to the acquisition of light, sweet oil properties from Mission Oil & Gas Inc.

The average natural gas price realized by the Trust decreased from $8.38 per mcf in 2005 to $6.33 per mcf in 2006. This decrease of 24 percent is mainly attributable to the 26 percent decrease in the benchmark AECO daily natural gas price.

Average Selling Prices (1)	2006	2005	% Change
Crude oil and NGL ($/bbl)	**60.03**	58.57	2
Natural gas ($/mcf)	**6.33**	8.38	(24)
Total ($/boe)	**56.52**	56.55	-

(1) The average selling prices reported are before realized financial instrument losses and transportation charges.

Benchmark Pricing	2006	2005	% Change
WTI crude oil (US$/bbl)	**66.25**	56.61	17
WTI crude oil (Cdn$/bbl)	**75.28**	68.20	10
AECO natural gas [1] (Cdn$/mcf)	**6.54**	8.78	(26)
Exchange rate – US$/Cdn$	**0.88**	0.83	6

[1] The AECO natural gas price reported is the average daily spot price.

Financial Instruments and Risk Management

Management of cash flow variability is an integral component of Crescent Point's business strategy. Changing business conditions are monitored regularly and reviewed with the Board of Directors to establish risk management guidelines used by management in carrying out the Trust's strategic risk management program. The risk exposure inherent in movements in the price of crude oil and natural gas, fluctuations in the US/Cdn dollar exchange rate, changes in the price of power and interest rate movements on long-term debt are all proactively managed by Crescent Point through the use of derivatives with reputable, financially sound counterparties. The Trust considers these contracts to be an effective means to manage cash flow.

The majority of the Trust's crude oil and natural gas financial instruments are in Canadian dollars, with the exception of two U.S. dollar oil contracts. The financial instrument contracts are referenced to WTI and AECO, unless otherwise noted. These financial instruments allow the Trust to hedge both commodity prices and fluctuations in the US/Cdn dollar exchange rate.

The Trust's realized financial instrument loss of $30.3 million for 2006 remained generally consistent with the loss of $32.9 million incurred in 2005. The primary reason for the slight decrease was due to a significant increase in the financial instrument price for oil. The financial instrument price increased from approximately $46.00 per bbl in 2005 to $63.00 per bbl in 2006. This increase in financial instrument prices was partially offset by an increase of approximately Cdn $7.00 per bbl in the benchmark WTI price and an increase in contracted financial instrument volumes.

The Trust has not designated any of its risk management activities as accounting hedges under the Canadian Institute of Chartered Accountants (the "CICA") accounting guideline 13 and, accordingly, has marked-to-market its financial instruments. This resulted in an unrealized financial instrument gain of $13.9 million in the year ended December 31, 2006 compared to a loss of $24.1 million in 2005. The gain in 2006 resulted primarily from the maturity of financial instrument contracts with lower average prices, partially offset by increases in the WTI benchmark forward prices. The $24.1 million loss in 2005 reflects the approximate Cdn $14.00 per bbl increase in the WTI benchmark price through 2005.

The following is a summary of the realized financial instrument gains (losses) on oil and gas contracts:

($000, except per boe and volume amounts)	2006	2005	% Change
Average crude oil volumes hedged (bbls/d)	**6,917**	4,037	71
Crude oil realized financial instrument loss	**(30,410)**	(32,924)	(8)
per bbl	**(4.78)**	(9.81)	(51)
Average natural gas volumes hedged (GJ/d)	**917**	-	-
Natural gas realized financial instrument gain	**87**	-	-
per mcf	**0.01**	-	-
Average barrels of oil equivalent hedged (boe/d)	**7,078**	4,037	75
Total realized financial instrument loss	**(30,323)**	(32,924)	(8)
per boe	**(4.01)**	(7.42)	(46)

Crescent Point had the following financial instrument contracts in place as of February 28, 2007 (including contracts acquired through the acquisition of Mission Oil & Gas Inc. on February 9, 2007):

Financial WTI Crude Oil Contracts – Canadian Dollar Term	Contract	Volume (bbls/d)	Average Swap Price ($Cdn/bbl)	Average Bought Put Price ($Cdn/bbl)	Average Sold Call Price ($Cdn/bbl)
2007					
January – March	Swap	1,000	58.72		
January – June	Swap	250	67.00		
January – September	Swap	250	74.52		
January – December	Swap	3,500	75.58		
April – June	Swap	1,000	72.02		
July – September	Swap	1,250	71.11		
October – December	Swap	1,500	73.22		
January – June	Collar	250		64.00	75.32
January – September	Collar	250		68.00	81.28
January – December	Collar	1,000		67.61	81.39
July – December	Collar	250		65.00	82.03
October – December	Collar	250		65.00	86.00
January – March	Put	250		84.50	
January – June	Put	500		64.50	
January – December	Put	2,750		79.01	
July – December	Put	500		70.06	
2007 Weighted Average		**9,810**	**73.86**	**73.13**	**81.27**
2008					
January – June	Swap	1,000	72.73		
January – September	Swap	250	68.10		
January – December	Swap	3,250	75.66		
July – December	Swap	1,000	73.52		
October – December	Swap	250	70.80		
January – June	Collar	250		65.00	82.00
January – December	Collar	1,250		70.00	83.72
July – December	Collar	250		70.00	91.00
January – December	Put	3,250		72.34	
2008 Weighted Average		**9,250**	**74.71**	**71.47**	**84.19**
2009					
January – March	Swap	2,750	77.68		
January – June	Swap	1,250	74.99		
April – June	Swap	2,250	77.58		
July – September	Swap	3,000	74.07		
July – December	Swap	250	70.00		
October – December	Swap	1,500	72.18		
January – March	Collar	250		75.00	87.00
January – June	Collar	1,250		70.00	81.01
January – September	Collar	250		70.00	79.00
April – June	Collar	250		75.00	83.00
July – September	Collar	250		70.00	84.05
July – December	Collar	750		68.33	77.05
2009 Weighted Average		**4,500**	**75.27**	**69.99**	**80.14**

Financial WTI Crude Oil Contracts – U.S Dollar Term	Contract	Volume (bbls/d)	Average Bought Put Price ($US/bbl)	Average Sold Put Price ($US/bbl)
2007				
January – December	Collar	1,000	67.50	75.73
2007 Weighted Average		**1,000**	**67.50**	**75.73**

Financial AECO Natural Gas Contracts – Canadian Dollar Term	Contract	Volume (GJ/d)	Average Bought Put Price ($Cdn/GJ)	Average Sold Call Price ($Cdn/GJ)
2007				
January – March	Collar	2,000	7.00	9.90
April – October	Collar	4,000	6.75	8.60
2007 Weighted Average		**2,840**	**6.79**	**8.82**

Financial Foreign Exchange Contracts – U.S. Dollar Term	Contract	Volume ($US)	Average Swap ($Cdn/$US)
2007			
January – December	Swap	11,862,500	1.1600
January – December	Swap	12,775,000	1.1012
2007 Weighted Average		**12,318,750**	**1.1295**

Financial Interest Rate Contracts – Canadian Dollar Term	Contract	Principal ($Cdn)	Fixed Annual Rate (%)
January 2007 – May 2007	Swap	40,000,000	4.35
February 2007 – February 2009	Swap	50,000,000	4.37
May 2007 – May 2008	Swap	50,000,000	4.41

The Trust has a power swap for 3.0 MW/h at a fixed price of $63.25 per MW/h for the period March 1, 2006 to December 31, 2008.

Revenues

Revenues were $427.5 million in 2006 compared with $251.1 million in 2005. The 70 percent increase in sales relates primarily to increases in production from the acquisitions completed in 2005 and 2006, along with higher realized oil prices. Partially offsetting this increase, oil differentials widened reflecting market trends and a reduction of the Trust's crude quality from the southwest Saskatchewan acquisition. Further, natural gas revenues decreased 16 percent due to lower realized gas prices as a result of a decrease in the AECO benchmark price.

($000)[1]	2006	2005	% Change
Crude oil and NGL sales	**381,655**	196,594	94
Natural gas sales	**45,836**	54,482	(16)
Revenues	**427,491**	251,076	70

[1] Revenue is reported before transportation charges and realized financial instruments.

Transportation Expenses

Transportation expenses increased from $1.04 per bbl in 2005 to $1.35 per bbl in 2006. This increase relates to the properties acquired in the past year and their proximity to market, along with pipeline capacity issues in southeast Saskatchewan encountered in the fourth quarter of 2006. Growing production volumes in southeast Saskatchewan and incremental imports from other areas have exceeded the capacity of the area's major oil gathering system, Enbridge Pipelines (Saskatchewan). Efforts to maintain crude sales led to incremental trucking costs in the fourth quarter.

($000, except per boe amounts)	2006	2005	% Change
Transportation expenses	**10,175**	4,619	120
Per boe	**1.35**	1.04	30

Royalty Expenses

Royalties were 21 percent of revenue in 2006 compared with 20 percent of revenue in 2005. This increase relates to the acquisitions completed during 2006 which are subject to higher royalty rates, partially offset by royalty incentives associated with successful drilling in southeast Saskatchewan.

Royalties are calculated and paid based on commodity revenue net of applicable costs and before any realized financial instrument losses.

($000, except per boe amounts)	2006	2005	% Change
Total royalties, net of ARTC	**90,013**	50,052	80
As a % of oil and gas sales	**21%**	20%	1
Per boe	**11.90**	11.27	6

Operating Expenses

Operating expenses per boe increased 14 percent in 2006 as a result of higher operating costs associated with the properties acquired in 2005 and 2006, higher overall repairs and maintenance due to facility turnarounds, increased utility costs and cost pressures resulting from higher activity in the oil and gas sector.

($000, except per boe amounts)	2006	2005	% Change
Operating expenses	**69,424**	35,879	93
Per boe	**9.18**	8.08	14

Netbacks

Crescent Point's netback after realized financial instruments for the year increased from $28.74 per boe to $30.08 per boe as a result of higher average financial instrument prices which reduced realized financial instrument losses, partially offset by lower average selling prices and higher royalty, operating and transportation expenses.

The Trust's netbacks are expected to become more seasonal due to the impact of the Cantuar and Battrum properties which typically realize wider price differentials in the first and fourth quarters. This makes comparisons between 2005 and 2006 more difficult. The impact will be offset somewhat in the future due to the acquisition of light, sweet oil properties from Mission Oil & Gas Inc.

	2006			2005	
	Crude Oil and NGL ($/bbl)	**Natural Gas ($/mcf)**	**Total ($/boe)**	Total ($/boe)	% Change
Average selling price	**60.03**	**6.33**	**56.52**	56.55	-
Royalties	**(12.48)**	**(1.47)**	**(11.90)**	(11.27)	6
Operating expenses	**(9.24)**	**(1.47)**	**(9.18)**	(8.08)	14
Transportation	**(1.41)**	**(0.16)**	**(1.35)**	(1.04)	30
Netback prior to realized financial instruments	**36.90**	**3.23**	**34.09**	36.16	(6)
Realized gain (loss) on financial instruments	**(4.78)**	**0.01**	**(4.01)**	(7.42)	(46)
Netback	**32.12**	**3.24**	**30.08**	28.74	5

General and Administrative Expenses

General and administrative expenses per boe for the year increased 12 percent. This increase is mainly attributable to the overall growth of the Trust along with industry cost pressures to retain and attract high quality employees. In addition, the Trust incurred legal and professional fees in the year associated with an internal reorganization as described in note 17(b) to the consolidated financial statements.

($000, except per boe amounts)	2006	2005	% Change
General and administrative costs	**14,863**	8,177	82
Capitalized	**(2,591)**	(1,740)	49
General and administrative expenses	**12,272**	6,437	91
Per boe	**1.62**	1.45	12

Restricted Unit Bonus Plan

The Trust has a Restricted Unit Bonus Plan and under the terms of this plan, the Trust may grant restricted units to directors, officers, employees and consultants. Restricted units vest at 33 1/3 percent on each of the first, second and third anniversaries of the grant date or at a date approved by the Board of Directors. Restricted unitholders are eligible for monthly distributions, immediately upon grant.

On May 31, 2006, at the annual general meeting, the unitholders approved an increase in the maximum number of trust units issuable under the Restricted Unit Bonus Plan from 935,000 units to 5,000,000 units. The Trust had 1,043,628 restricted units outstanding at December 31, 2006 compared with 589,555 units outstanding at December 31, 2005.

The Trust recorded compensation expense and contributed surplus of $11.3 million for 2006 (2005 - $4.3 million) based on the fair value of the units on the date of grant. Cash distributions paid on the restricted units granted were $1.1 million for the year (2005 - $450,000). The total cash and non-cash unit-based compensation recorded in the year was $12.4 million (2005 - $4.7 million). The unit-based compensation increased year-over-year due to the growth of the Trust's operations and industry pressures to retain and attract high quality employees.

Interest Expense

Interest expense per boe increased 48 percent in 2006. This increase is attributable to higher average debt levels resulting from the Trust's growth over the past year, along with increases in lending rates of Canadian chartered banks.

($000, except per boe amounts)	2006	2005	% Change
Interest expense	**13,673**	5,402	153
Per boe	**1.81**	1.22	48

Depletion, Depreciation and Amortization

The depletion, depreciation and amortization ("DD&A") rate increased to $18.31 per boe in 2006 from $15.04 per boe in 2005. The increase is attributable to the acquisitions completed in the second half of 2005 and the year ended December 31, 2006 which carried a higher cost per barrel than the Trust's existing properties.

($000, except per boe amounts)	2006	2005	% Change
Depletion, depreciation and amortization	**138,511**	66,790	107
Per boe	**18.31**	15.04	22

Taxes

During 2006, there were several proposed amendments to Federal and provincial corporate tax legislation which were substantively enacted. The Federal amendments include the elimination of Large Corporations Tax, effective January 1, 2006, a reduction in the Federal corporate income tax rate from 21 percent (in 2007) to 19 percent over a three year period beginning January 1, 2008 and the elimination of the Corporate Income Surtax, effective January 1, 2008. The Saskatchewan amendments include a reduction in the Saskatchewan corporate income tax rate from 17 percent to 12 percent over a four year period beginning January 1, 2006. The Alberta amendments include a reduction in the Alberta corporate income tax rate from 11.5 percent to 10 percent, effective April 1, 2006.

Capital tax expense increased from $5.5 million in 2005 to $11.3 million in 2006 due to the introduction of Saskatchewan Capital Tax and Resource Surcharge on certain entities owned by the Trust effective April 1, 2005, increases in the Trust's Saskatchewan production and an increase in realized oil prices, partially offset by the elimination of Large Corporations Tax.

Future income taxes arise from differences between the accounting and tax basis of certain operating entity's assets and liabilities. In the Trust structure, payments are made between the operating entities and the Trust transferring both the income and tax liability to the unitholders.

Corporate acquisitions completed in 2006 resulted in the Trust recording a future tax liability of $56.1 million. Crescent Point's future income tax decreased from a recovery of $27.8 million in 2005 to a $16.6 million recovery in 2006.

On October 26, 2006, the Trust announced a Special Meeting would be held on November 27, 2006 to obtain conditional approval of a reorganization of the Trust and its subsidiaries. Shareholder approval was received at the Special Meeting and on March 1, 2007 the Trust closed the reorganization. The reorganization resulted in the existing business of the Trust, which was carried on through a limited partnership and corporations, being carried on through limited partnerships indirectly owned by the Trust. The reorganization which is similar to reorganizations completed by a number of other income trusts, has provided the Trust with a "flow through" structure that should maximize the cash available for distribution.

On October 31, 2006, the Federal Government announced tax proposals pertaining to taxation of distributions paid by trusts and if the tax legislation becomes substantively enacted as proposed, future income taxes may be adjusted to include temporary differences between the accounting and tax basis of the Trust's assets and liabilities.

Crescent Point's estimated consolidated tax pools at December 31, 2006, including estimated tax pools acquired through the acquisition of Mission Oil & Gas Inc. on February 9, 2007, are approximately $788.0 million. This is comprised of intangible resource pools of $554.0 million, tangible pools of $211.0 million and trust unit/share issue costs of $23.0 million.

($000)	2006	2005	% Change
Capital and other tax expense	**11,314**	5,527	105
Future income tax recovery	**(16,560)**	(27,800)	(40)

Cash Flow and Net Income

Cash flow from operations increased 72 percent in 2006 to $189.1 million from $109.8 million in 2005. The increase in cash flow is primarily the result of higher production attributable to the acquisitions completed in the second half of 2005 and the year ended December 31, 2006. Cash flow per unit - diluted decreased from $3.04 per unit – diluted in 2005 to $2.98 per unit – diluted in 2006. Although corporate operating netbacks increased, cash flow per unit - diluted declined due to increases in general and administrative, interest, capital and other tax expenses relating to the growth of the Trust's operations.

The Trust's realized prices, netbacks, revenues, cash flow from operations and payout ratios are expected to become more seasonal due to the impact of the Cantuar and Battrum properties which typically realize wider price differentials in the first and fourth quarters. This makes comparisons between 2005 and 2006 more difficult. The impact will be offset somewhat in the future due to the acquisition of light, sweet oil properties from Mission Oil & Gas Inc.

Net income increased from $38.5 million in 2005 to $68.9 million in 2006 primarily as a result of increases in cash flows from operations and the $13.9 million unrealized financial instrument gain compared to a $24.1 million financial instrument loss in 2005. The financial instrument gain resulted primarily from the maturity of lower priced financial instrument contracts.

($000, except per unit amounts)	2006	2005	% Change
Cash flow from operations	**189,135**	109,785	72
Cash flow from operations per unit – diluted	**2.98**	3.04	(2)
Net income	**68,947**	38,509	79
Net income per unit – diluted (1)	**1.05**	1.12	(6)

(1) Net income per unit – diluted is calculated by dividing the net income before non-controlling interest by the diluted weighted average trust units.

Cash Distributions

Crescent Point's distributions to unitholders are paid monthly and are dependent upon commodity prices, production levels and the amount of capital expenditures to be funded from cash flow. The Trust reinvests part of its cash flow towards the capital program to provide for more sustainable distributions in the future. The actual amount of the distributions is at the discretion of the Board of Directors. In the event that commodity prices are higher than anticipated and a cash surplus develops during the quarter, the surplus may be used to increase distributions, reduce debt and/or increase the Trust's capital program.

During 2006, the Trust funded cash distributions from its cash flow from operations and expects to continue this practice in the future. Cash flow from operations in excess of distributions requirements is used to fund capital expenditures and reduce bank indebtedness.

The Trust's payout ratio on a per unit – diluted basis increased from 70 percent in 2005 to 81 percent in 2006. The payout ratio for 2006 increased primarily due to the increase in distributions from $0.17 per unit to $0.19 per unit in September 2005 and a further increase to $0.20 per unit in November 2005. Additionally, cash flow from operations per unit – diluted declined in 2006 due to wider oil differentials in the first quarter of 2006 and higher costs incurred managing the growth of the Trust's operations.

($000, except per unit and percent amounts)	**2006**	**2005**	**% Change**
Cash distributions	**150,277**	74,591	101
Cash distributions – per unit	**2.40**	2.14	12
Payout ratio (%) [(1)]	**79**	68	11
Payout ratio – per unit – diluted (%) [(1)]	**81**	70	11

(1) Payout ratio is calculated as cash distributions divided by cash flow from operations. Payout ratio per unit – diluted is calculated as cash distributions per unit divided by cash flow from operations per unit – diluted.

The following table provides a reconciliation of distributable cash:

($000)	**2006**	**2005**	**% Change**
Cash flow from operating activities	**177,426**	94,247	88
Plus: changes in non-cash working capital	**10,691**	14,512	(26)
Plus: ARO expenditures	**1,018**	1,026	(1)
Less: reclamation fund contributions	**(2,502)**	(1,042)	140
Distributable cash	**186,633**	108,743	72
Allocation of distributable cash			
Cash retained from cash availablefor distribution [(1)]	**36,356**	34,152	6
Cash distributions declared	**150,277**	74,591	101
Distributable cash	**186,633**	108,743	72

(1) The Board of Directors determines the cash distributions level which results in a discretionary amount of cash retained. Cash flow from operations in excess of distributions requirements is used to fund capital expenditures and reduce bank indebtedness.

Taxation of Cash Distributions

Cash distributions are comprised of a return on capital portion (taxable) and a return of capital portion (tax deferred). For cash distributions received by Canadian residents outside of a registered pension or retirement plan in the 2006 taxation year, the distributions are 100 percent taxable.

The following is a breakdown of the cash distributions per unit paid or payable by the Trust with respect to the record dates from January 31, 2006 to December 31, 2006 for Canadian tax purposes:

Record Date	Payment Date	Taxable Amount (Box 26 Other Income)	Tax Deferred Amount (Box 42 Return of Capital)	Total Cash Distribution
January 31, 2006	February 15, 2006	$ 0.20	-	$ 0.20
February 28, 2006	March 15, 2006	$ 0.20	-	$ 0.20
March 31, 2006	April 17, 2006	$ 0.20	-	$ 0.20
April 30, 2006	May 15, 2006	$ 0.20	-	$ 0.20
May 31, 2006	June 15, 2006	$ 0.20	-	$ 0.20
June 30, 2006	July 17, 2006	$ 0.20	-	$ 0.20
July 31, 2006	August 15, 2006	$ 0.20	-	$ 0.20
August 31, 2006	September 15, 2006	$ 0.20	-	$ 0.20
September 30, 2006	October 16, 2006	$ 0.20	-	$ 0.20
October 31, 2006	November 15, 2006	$ 0.20	-	$ 0.20
November 30, 2006	December 15, 2006	$ 0.20	-	$ 0.20
December 31, 2006	January 15, 2007	$ 0.20	-	$ 0.20
Total per trust unit		$ 2.40	-	$ 2.40

Long term Investment

The long-term investment is comprised of shares of Mission Oil & Gas Inc. (refer to Capital Expenditures discussion below). The investment is recorded at carrying value, which is less than the fair value of $48.1 million at December 31, 2006.

Capital Expenditures

The Trust closed twelve acquisitions and one disposition in the year ended December 31, 2006 for net consideration of approximately $483.1 million, including closing adjustments ($566.6 million was allocated to property, plant and equipment). The acquisitions completed in 2006 were focused in the Cantuar and Battrum areas of southwest Saskatchewan, Ingoldsby area of southeast Saskatchewan and Worsley and John Lake areas of Alberta. Closing adjustments on previously closed acquisitions were $6.6 million in the year ended December 31, 2006.

The Trust's development capital expenditures for 2006 were $110.0 million compared to $35.7 million in 2005. In 2006, 103 wells (77.4 net) were drilled with a success rate of 100 percent. The Trust incurred approximately $11.0 million constructing the Glen Ewen gas plant in southeast Saskatchewan during the fourth quarter of 2006. The plant was commissioned in the first quarter of 2007, in time for a multi well drilling program in the first quarter of 2007.

On February 9, 2007, the Trust closed the acquisition of Mission Oil & Gas Inc., a publicly traded company with properties in the Viewfield Bakken area of southeast Saskatchewan for total consideration of approximately $574.1 million, before closing adjustments (based on a trust unit price of $17.37). The purchase was funded through the Trust's existing bank lines and issuance of approximately 29.2 million trust units. The Trust owned 3,800,000 shares of Mission Oil & Gas Inc. prior to the closing which it purchased for $7.90 per share or $30.0 million in November 2005.

The Trust's budgeted capital program for 2007 is approximately $150.0 million. The Trust does not set a budget for acquisitions. The Trust searches for opportunities that align with strategic parameters and evaluates each prospect on a case by case basis. The Trust's acquisitions are expected to be financed through bank debt, the distribution reinvestment program and new equity issuances.

($000)	2006	2005	% Change
Capital acquisitions (net) [(1)]	**573,215**	326,623	75
Development capital expenditures	**109,995**	35,720	208
Capitalized administration	**2,591**	1,740	49
Other [(2)]	**31,198**	10,244	205
Total	**716,999**	374,327	92

(1) The capital acquisitions include the amount allocated to property, plant and equipment for corporate and property acquisitions. This differs from the purchase price as there were allocations made to goodwill and other assets and liabilities, including asset retirement obligations.

(2) Other expenditures include office furniture and equipment, asset retirement obligations on development activities and fair value adjustments relating to the conversion of exchangeable shares.

Goodwill

The goodwill balance of $68.4 million as at December 31, 2006 is attributable to the corporate acquisitions of Tappit Resources Ltd., Capio Petroleum Corporation and Bulldog Energy Inc. during the period 2003 through 2005. The Trust performed a goodwill impairment test at December 31, 2006 and no impairment of goodwill exists.

Asset Retirement Obligation

The asset retirement obligation increased by $12.6 million during 2006. This increase relates to liabilities of $10.4 million recorded in respect of twelve acquisitions (net of one disposition) and new wells drilled in the year and accretion expense of $3.2 million, reduced by actual expenditures incurred in the year of $1.0 million. The Board of Directors and management review the adequacy of the fund annually and adjust the contributions as necessary.

Liquidity and Capital Resources

The Trust has a syndicated credit facility with seven banks and an operating credit facility with one Canadian chartered bank. The amount available under the Trust's combined credit facilities was increased from $245.0 million to $320.0 million on January 9, 2006, from $320.0 million to $350.0 million on May 29, 2006 and further increased to $470.0 million on November 22, 2006 to reflect the additional borrowing base available as a result of the acquisitions which closed up to that date. As at December 31, 2006, the Trust had debt of $254.4 million, leaving unutilized borrowing capacity in excess of $215.0 million. The Trust expects to review its borrowing base with the bank syndicate to include year end reserve evaluations and the additional borrowing base available in respect of the Mission acquisition, upon the facility renewal in May 2007.

As at December 31, 2006, Crescent Point was capitalized with 16 percent net debt and 84 percent equity compared to 18 percent net debt and 82 percent equity at December 31, 2005 (based on year end market capitalization). The Trust's net debt to cash flow of 1.2 times at December 31, 2006 reflects the debt financing of the acquisitions completed during the year, while the cash flow reflects only the amounts generated since closing of these acquisitions (December 31, 2005 – 1.8 times). The Trust's projected net debt to 12 month cash flow is less than 1.0 times.

The Trust's ability to raise new equity commencing November 1, 2006, will be limited by the Safe Harbour Limit guidelines as announced by the Federal Government.

The Federal Government's proposal to tax income trusts has created uncertainty in the capital markets regarding the future of the trust sector however, Crescent Point believes that it has sufficient capital resources to meet its obligations given the significant credit facility available and success raising new equity as demonstrated in fiscal 2006 (see Unitholders' Equity discussion below).

Capitalization Table **($000, except unit, per unit and percent amounts)**	**2006**	**2005**
Bank debt	**254,438**	225,710
Working capital (1)	**(26,533)**	(31,165)
Net debt (1)	**227,905**	194,545
Trust units outstanding and issuable for exchangeable shares	**69,531,952**	43,062,885
Market price at end of year (per unit)	**17.60**	20.68
Market capitalization	**1,223,762**	890,540
Total capitalization	**1,451,667**	1,085,085
Net debt as a percentage of total capitalization (%)	**16**	18
Annual cash flow from operations	**189,135**	109,785
Net debt to cash flow (2)	**1.2**	1.8

(1) The working capital and net debt exclude the risk management asset and liability. The working capital and net debt as at December 31, 2006 include the $30.0 million long-term investment in Mission Oil & Gas Inc.

(2) The net debt reflects the financing of acquisitions, however the cash flow only reflects cash flows generated from the acquired properties since the closing dates of the acquisitions.

Unitholders' Equity

At December 31, 2006, Crescent Point had 69,531,952 trust units issued and issuable for exchangeable shares compared to 43,062,885 trust units at December 31, 2005 (using the exchangeable share ratio in effect at the end of 2005). The increase by more than 26.0 million trust units relates primarily to three bought deal equity financings and two equity issuances in connection with acquisitions completed during the year ended December 31, 2006.

Three bought deal equity financings closed on January 9, 2006, March 23, 2006 and July 20, 2006 whereby the Trust issued 18,546,000 trust units and raised gross proceeds of $395.4 million ($21.15 to $21.80 per trust unit).

On February 6, 2006, the Trust issued 2,080,379 trust units at $21.15 per unit in conjunction with the acquisition of a partnership owning properties in the Peace River Arch area of northwest Alberta, and on May 30, 2006 Crescent Point issued 2,583,505 trust units at $22.42 per unit in conjunction with the acquisition of Canex Energy Inc.

Crescent Point's total capitalization increased 34 percent to $1.5 billion at December 31, 2006 compared to $1.1 billion at December 31, 2005, with the market value of trust units representing 84 percent of total capitalization. The increase in capitalization is attributable to the three bought deal equity financings and two equity issuances in connection with acquisitions, offset slightly by decreases in the unit trading price as a result of the Federal tax proposals.

During the year ended December 31, 2006, the units traded in the range of $15.55 to $23.60 with an average daily trading volume of 360,323 units. The range in the unit trading price reflects the market uncertainty associated with the Federal Government's proposal to tax income trusts.

For the year ended December 31, 2006, the distribution reinvestment and premium distribution reinvestment plans resulted in an additional 2,941,850 trust units being issued at an average price of $18.77 per unit raising a total of $55.2 million. Participation levels in these plans are approximately 35 percent. The cash raised through these alternative equity programs is used to reduce bank debt. Crescent Point will continue to monitor participation levels and utilize these funds in the most effective manner.

Non-Controlling Interest

The Trust had recorded a non-controlling interest in respect of the issued and outstanding exchangeable shares of Crescent Point Resources Ltd. ("CPRL"), a corporate subsidiary of the Trust. In 2006, the Trust exercised its redemption call right in respect of all of the issued and outstanding exchangeable shares of CPRL. As a result, the Trust purchased all of the issued and outstanding exchangeable shares from the holders on October 27, 2006. The redemption of the exchangeable shares was satisfied by the delivery to each exchangeable shareholder of 1.46210 trust units per exchangeable share held.

The non-controlling interest was eliminated in the fourth quarter of 2006 (December 31, 2005 – $7.6 million) as all exchangeable shares were redeemed by the Trust on October 27, 2006. The non-controlling interest on the statement of operations and accumulated earnings for the year ended December 31, 2006 and 2005 of ($2.4) million and $1.9 million, respectively, represents the net earnings (loss) attributable to the exchangeable shareholders for these years.

Contractual Obligations and Commitments

The Trust has assumed various contractual obligations and commitments in the normal course of operations. The following table summarizes the Trust's contractual obligations and commitments as at December 31, 2006 (including contractual obligations and commitments acquired through the acquisition of Mission Oil & Gas Inc. on February 9, 2007):

		Expected Payout Date			
Contractual Obligations Summary ($000)	**Total**	**2007**	**2008-2009**	**2010-2011**	**After 2011**
Operating Leases (1)	21,244	3,195	5,288	4,406	8,355

(1) Operating leases includes leases for office space and equipment.

Critical Accounting Estimates

The preparation of the Trust's financial statements requires management to adopt accounting policies that involve the use of significant estimates and assumptions. These estimates and assumptions are developed based on the best available information and are believed by management to be reasonable under the existing circumstances. New events or additional information may result in the revision of these estimates over time. A summary of the significant accounting policies used by Crescent Point can be found in Note 2 to the December 31, 2006 consolidated financial statements. The following discussion outlines what management believes to be the most critical accounting policies involving the use of estimates or assumptions.

Depletion, Depreciation and Amortization ("DD&A")

Crescent Point follows the CICA accounting guideline AcG-16 on full cost accounting in the oil and gas industry to account for oil and gas properties. Under this method, all costs associated with the acquisition of, exploration for, and the development of natural gas and crude oil reserves are capitalized and costs associated with production are expensed. The capitalized costs are depleted using the unit-of-production method based on estimated proved reserves using management's best estimate of future prices (see Oil and Gas Reserves discussion below). Reserve estimates can have a significant impact on earnings, as they are a key component in the calculation of depletion. A downward revision in a reserve estimate could result in a higher DD&A charge to earnings. In addition, if net capitalized costs are determined to be in excess of the calculated ceiling, which is based largely on reserve estimates (see Asset Impairment discussion below), the excess must be written off as an expense charged against earnings. In the event of a property disposition, proceeds are normally deducted from the full cost pool without recognition of a gain or loss unless there is a change in the DD&A rate of 20 percent or greater.

Asset Retirement Obligation

Upon retirement of its oil and gas assets, the Trust anticipates incurring substantial costs associated with asset retirement activities. Estimates of the associated costs are subject to uncertainty associated with the method, timing and extent of future retirement activities. A liability for these costs and a related asset are recorded using the discounted asset retirement costs and the capitalized costs are depleted on a unit-of-production basis over the associated reserve life. Accordingly, the liability, the related asset and the expense are impacted by changes in the estimates and timing of the expected costs and reserves (see Oil and Gas Reserves discussion below).

Asset Impairment

Producing properties and unproved properties are assessed annually, or as economic events dictate, for potential impairment. Impairment is assessed by comparing the estimated undiscounted future cash flows to the carrying value of the asset. The cash flows used in the impairment assessment require management to make assumptions and estimates about recoverable reserves (see Oil and Gas Reserves discussion below), future commodity prices and operating costs. Changes in any of the assumptions, such as a downward revision in reserves, a decrease in future commodity prices, or an increase in operating costs could result in an impairment of an asset's carrying value.

Purchase Price Allocation

Business acquisitions are accounted for by the purchase method of accounting. Under this method, the purchase price is allocated to the assets acquired and the liabilities assumed based on the fair value at the time of acquisition. The excess purchase price over the fair value of identifiable assets and liabilities acquired is goodwill. The determination of fair value often requires management to make assumptions and estimates about future events. The assumptions and estimates with respect to determining the fair value of property, plant and equipment acquired generally requires the most judgment and include estimates of reserves acquired (see Oil and Gas Reserves discussion below), future commodity prices, and discount rates. Changes in any of the assumptions or estimates used in determining the fair value of acquired assets and liabilities could impact the amounts assigned to assets, liabilities, and goodwill in the purchase price allocation. Future net earnings can be affected as a result of changes in future depletion and depreciation, asset impairment or goodwill impairment.

Goodwill Impairment

Goodwill is subject to impairment tests annually, or as economic events dictate, by comparing the fair value of the reporting entity to its carrying value, including goodwill. If the fair value of the reporting entity is less than its carrying value, a goodwill impairment loss is recognized as the excess of the carrying value of the goodwill over the implied value of the goodwill. The determination of fair value requires management to make assumptions and estimates about recoverable reserves (see Oil and Gas Reserves discussion below), future commodity prices, operating costs, production profiles, and discount rates. Changes in any of these assumptions, such as a downward revision in reserves, a decrease in future commodity prices, an increase in operating costs or an increase in discount rates could result in an impairment of all or a portion of the goodwill carrying value in future periods.

Oil and Gas Reserves

Reserves estimates, although not reported as part of the Trust's financial statements, can have a significant effect on net earnings as a result of their impact on depletion and depreciation rates, asset retirement provisions, asset impairments, purchase price allocations, and goodwill impairment (see discussion of these items above). Independent petroleum reservoir engineering consultants perform evaluations of the Trust's oil and gas reserves on an annual basis. However, the estimation of reserves is an inherently complex process requiring significant judgment. Estimates of economically recoverable oil and gas reserves are based upon a number of variables and assumptions such as geoscientific interpretation, commodity prices, operating and capital costs and production forecasts, all of which may vary considerably from actual results. These estimates are expected to be revised upward or downward over time, as additional information such as reservoir performance becomes available, or as economic conditions change.

New Accounting Pronouncements

Accounting Changes in the Current Year

The Trust did not adopt any new accounting standards during the year ended December 31, 2006.

Future Accounting Changes

Financial Instruments

The CICA issued new accounting standards, CICA Accounting Standard Handbook section 3855, "Financial Instruments Recognition and Measurement", section 3865 "Hedges" and section 1530 "Comprehensive Income". These standards prescribe how and at what amount financial assets, financial liabilities and non-financial derivatives are to be recognized on the balance sheet. The standards prescribe fair value in some cases while cost-based measures are prescribed in other cases. It also specifies how financial instrument gains and losses are to be presented. The new standards are effective for fiscal years beginning on or after October 1, 2006. The Trust has not assessed the impact of these standards on its financial statements.

Outstanding Trust Unit Data

As at February 26, 2007, the Trust had 98,979,471 trust units outstanding.

Selected Annual Information

($000 except per unit amounts) (1)	2006	2005	2004 (restated (1))
Total revenue	**427,491**	251,076	155,299
Net income (2)	**68,947**	38,509	29,743
Net income per unit (2)	**1.12**	1.12	1.14
Net income per unit-diluted (2)	**1.05**	1.12	1.07
Cash flow from operations	**189,135**	109,785	69,828
Cash flow from operations per unit	**3.07**	3.20	2.66
Cash flow from operations per unit-diluted	**2.98**	3.04	2.49
Working capital (3)	**26,533**	31,165	(2,640)
Total assets	**1,373,466**	808,297	407,530
Total liabilities	**467,086**	375,632	182,380
Net debt (3)	**227,905**	194,545	95,360
Total long term financial liabilities	**11,697**	4,590	–
Weighted average trust units (thousands) (4)	**63,569**	36,086	28,084
Cash distributions	**150,277**	74,591	53,877
Cash distributions per unit	**2.40**	2.14	2.04

(1) The comparative annual results have been restated for the retroactive impact of the application of the change in accounting policy for exchangeable shares.

(2) Net income and net income before discontinued operations and extraordinary items are the same.

(3) The working capital and net debt exclude the risk management asset and liability. The working capital and net debt as at December 31, 2006 include the $30.0 million long-term investment in Mission Oil & Gas Inc. The working capital excludes bank indebtedness.

(4) The trust units issuable on conversion of the exchangeable shares reflect the weighted average exchangeable shares outstanding converted at the exchange ratio in effect at the end of the period. For the 2006 amounts, the exchangeable share ratio applied is the one in effect for the October 27, 2006 redemption.

Crescent Point's revenue, cash flow from operations and assets have increased significantly from the year ended December 31, 2004 through the year December 31, 2006 due to numerous corporate and property acquisitions, which have resulted in higher production volumes. This factor combined with favourable commodity prices and the Trust's successful drilling and development program have produced the increases realized in the table noted above.

Summary of Quarterly Results

($000, except per unit amounts)	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2005 Q4	2005 Q3	2005 Q2	2005 Q1
Revenues	**100,960**	**119,365**	**113,790**	**93,376**	75,935	72,336	54,489	48,316
Net income (loss) (1)	**6,918**	**39,588**	**19,260**	**3,181**	33,453	10,506	6,534	(11,984)
Net income (loss) per unit (1)	**0.10**	**0.61**	**0.32**	**0.06**	0.87	0.29	0.20	(0.41)
Net income (loss) per unit - diluted (1)	**0.10**	**0.58**	**0.31**	**0.02**	0.87	0.28	0.19	(0.41)
Cash flow from operations	**43,843**	**52,774**	**52,282**	**40,236**	33,424	33,275	22,978	20,108
Cash flow from operations per unit	**0.64**	**0.81**	**0.88**	**0.76**	0.87	0.93	0.69	0.68
Cash flow from operations per unit - diluted	**0.63**	**0.78**	**0.85**	**0.73**	0.83	0.88	0.66	0.64
Working capital (2)	**26,533**	**29,354**	**29,840**	**25,946**	31,165	(874)	4,202	(3,733)
Total assets	**1,373,466**	**1,351,245**	**1,294,214**	**1,188,260**	808,297	579,869	512,489	427,192
Total liabilities	**467,086**	**448,483**	**503,903**	**452,648**	375,632	266,498	238,615	230,906
Net debt (2)	**227,905**	**212,073**	**241,371**	**206,991**	194,545	119,110	112,934	119,977
Total long-term financial liabilities	**11,697**	**8,650**	**18,791**	**16,097**	4,590	11,610	13,427	11,863
Weighted average trust units (thousands) (3)	**69,764**	**67,810**	**61,372**	**54,958**	40,464	37,645	34,820	31,349
Capital expenditures (4)	**62,329**	**96,689**	**129,637**	**428,344**	178,430	74,638	86,019	35,240
Cash distributions	**41,322**	**39,890**	**36,123**	**32,942**	22,835	19,329	17,340	15,087
Cash distributions per unit	**0.60**	**0.60**	**0.60**	**0.60**	0.59	0.53	0.51	0.51

(1) The comparative quarterly results have been restated for the application of the change in accounting policy for exchangeable shares. Net income (loss) per unit – diluted is calculated by dividing the net income before non-controlling interest by the diluted weighted average trust units.

(2) The working capital and net debt exclude the risk management asset and liability. The working capital and net debt as at December 31, 2006 include the $30.0 million long-term investment in Mission Oil & Gas Inc. The working capital excludes bank indebtedness.

(3) The trust units issuable on conversion of the exchangeable shares reflect the weighted average exchangeable shares outstanding converted at the exchange ratio in effect at the end of the period. For the fourth quarter 2006 amounts, the exchangeable share ratio applied is the one in effect for the October 27, 2006 redemption.

(4) The capital expenditures in the table include asset retirement obligations on development activities and fair value adjustments relating to the conversion of exchangeable shares. The prior quarterly results have been restated to conform with the current presentation.

Crescent Point's revenue has increased significantly due to several property and corporate acquisitions completed in each of the past two years and the Trust's successful drilling program. The overall growth of the Trust's asset base also contributed to the general increase in cash flow from operations. Net income has fluctuated primarily due to unrealized financial instruments gains and losses on oil and gas contracts, which fluctuate with the changes in the market conditions. Capital expenditures fluctuated throughout this period as a result of timing of acquisitions. The general increase in cash flows throughout the last eight quarters has allowed the Trust to maintain stable monthly cash distributions of $0.17 per unit through August 2005 with increases to $0.19 per unit in September 2005 and to $0.20 per unit in November 2005.

Fourth Quarter Review

The following are the main highlights of the fourth quarter of 2006:

The Trust spent $30.0 million on development capital activities in the fourth quarter, including the drilling of 23 (14.8 net) wells with a 100 percent success rate adding over 900 boe/d of initial interest production.

The Trust exceeded its fourth quarter average daily production target, producing 21,369 boe/d for the quarter. This represents a 55 percent increase from the 13,791 boe/d produced in the fourth quarter of 2005.

Crescent Point's cash flow from operations increased by 31 percent to $43.8 million in the fourth quarter of 2006, compared to $33.4 million in the fourth quarter of 2005.

Crescent Point maintained consistent monthly distributions of $0.20 per unit, totaling $0.60 per unit for the fourth quarter of 2006. This represents a 2 percent increase from the $0.59 per unit distributed in the fourth quarter of 2005 and resulted in an overall payout ratio of 94 percent and a 95 percent payout ratio on a per unit – diluted basis. The Trust's overall 2006 payout ratio per unit – diluted was 81 percent and 2007 is forecasted to be 77 percent on a per unit – diluted basis.

The Trust continued to execute its core strategy of managing commodity price risk using a combination of fixed price swaps, costless collars, and put option instruments. As at March 1, 2007, the Trust had hedged 53 percent, 44 percent and 22 percent of production, net of royalty interest, for 2007, 2008 and 2009, respectively.

On November 22, 2006, the Trust's borrowing base was increased to $470 million. It is anticipated that the base will increase to $575 million upon renewal in the second quarter of 2007. The Trust's balance sheet remains strong with projected 2007 net debt to 12 month cash flow of less than 1.0 times.

On October 26, 2006, Crescent Point announced a proposed reorganization of the Trust's structure, which was approved by unitholders at a Special Meeting held on November 27, 2006 and completed on March 1, 2007. The reorganization results in the business of the Trust being carried on through limited partnerships owned by the Trust, similar to reorganizations announced by a number of other trusts. It provides the Trust with a "flow through" structure that is expected to maximize the cash available for distribution.

Internal Controls

Crescent Point has implemented a system of internal controls that it believes adequately protects the assets of the Trust and is appropriate for the nature of its business and the size of its operations. These internal controls include disclosure controls and procedures designed to ensure that information required to be disclosed by the Trust is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure. Crescent Point's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation that Crescent Point's disclosure controls and procedures are effective to provide reasonable assurance that material information related to Crescent Point is made known to them and have been operating effectively during 2006. It should be noted that while Crescent Point's Chief Executive Officer and Chief Financial Officer believe that Crescent Point's disclosure controls and procedures provide a reasonable level of assurance that the system of internal controls are effective, they do not guarantee that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

In addition, in accordance with Multilateral Instrument 52-109, the Crescent Point has, under the supervision of its Chief Executive Officer and Chief Financial Officer, designed a process of internal control over financial reporting, which has been effected by Crescent Point's board of directors and management. The process was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of Crescent Point's assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Trust are being made only in accordance with authorizations of management and the board of directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Crescent Point's assets that could have a material effect on the annual or interim financial statements.

Based on the Chief Executive Officer and the Chief Financial Officer's review of the design of internal controls over financial reporting, the Chief Executive Officer and Chief Financial Officer have concluded that the design of internal controls is adequate for the nature of the Trust's business and size of its operations.

Business Risks and Prospects

Crescent Point is exposed to several operational risks inherent in exploiting, developing, producing and marketing crude oiland natural gas. These risks include:

- Economic risk of finding and producing reserves at a reasonable cost;
- Financial risk of marketing reserves at an acceptable price given market conditions;
- Cost of capital risk to carry out the Trust's operations; and
- The risk of carrying out operations with minimal environmental impact.

Crescent Point strives to manage or minimize these risks in a number of ways, including:

- Employing qualified professional and technical staff;
- Concentrating in a limited number of areas with low cost exploitation and development objectives;
- Utilizing the latest technology for finding and developing reserves;
- Constructing quality, environmentally sensitive, safe production facilities;
- Maximizing operational control of drilling and producing operations;
- Mitigating price risk through strategic hedging; and
- Adhering to conservative borrowing guidelines.

Health, Safety and Environment Policy

The health and safety of employees, contractors, visitors and the public, as well as the protection of the environment, is of utmost importance to Crescent Point. The Trust endeavours to conduct its operations in a manner that will minimize both adverse effects and consequences of emergency situations by:

- Complying with government regulations and standards;
- Conducting operations consistent with industry codes, practices and guidelines;
- Ensuring prompt, effective response and repair to emergency situations and environmental incidents;
- Providing training to employees and contractors to ensure compliance with Trust safety and environmental rules and procedures;
- Promoting the aspects of careful planning, good judgment, implementation of the Trust's procedures, and monitoring Trust activities;
- Communicating openly with members of the public regarding our activities; and
- Amending the Trust's policies and procedures as may be required from time to time.

Crescent Point believes that all employees have a vital role in achieving excellence in environmental, health and safety performance. This is best achieved through careful planning and the support and active participation of everyone involved.

Outlook

The Trust's annual projections for 2007, including Mission, are as follows:

Production	
Oil and NGL (bbls/d)	22,416
Natural gas (mcf/d)	23,000
Total (boe/d)	26,250
Cash flow ($000)	314,000
Cash flow per unit – diluted ($)	3.11
Cash distributions per unit ($)	2.40
Payout ratio – per unit – diluted (%)	77
Capital expenditures ($000) (1)	150,000
Wells drilled, net	110
Pricing	
Crude oil – WTI (US$/bbl)	60.00
Crude oil – WTI (Cdn$/bbl)	70.59
Natural gas – Corporate (Cdn$/mcf)	7.50
Exchange rate (US$/Cdn$)	0.85

(1) The projection of capital expenditures excludes acquisitions, which are separately considered and evaluated.

Additional information relating to Crescent Point, including the Trust's renewal annual information form, is available on SEDAR at www.sedar.com.

Management's Responsibility for Financial Reporting

The management of Crescent Point Energy Trust is responsible for the preparation of all information included in this Annual Report. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include certain estimates that reflect management's best estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects. The financial information contained elsewhere in this Annual Report has been reviewed to ensure consistency with that in the consolidated financial statements.

Management has developed and maintains an extensive system of internal accounting controls that provide reasonable assurance that all transactions are accurately recorded, that the financial statements realistically report the Trust's operating and financial results, and that the Trust's assets are safeguarded. Management believes that this system of internal controls has operated effectively for the year ended December 31, 2006.

PricewaterhouseCoopers LLP, an independent firm of chartered accountants, was appointed by a resolution of the Board of Directors to audit the financial statements of the Trust and provide an independent professional opinion. PricewaterhouseCoopers LLP was appointed to hold such office until the next annual meeting of the unitholders of the Trust.

The Board of Directors, through its Audit Committee, has reviewed the financial statements including notes thereto with management and PricewaterhouseCoopers LLP. The members of the Audit Committee are composed of independent directors who are not employees of the Trust. The Board of Directors has approved the information contained in the financial statements based on the recommendation of the Audit Committee.

Scott Saxberg
President and Chief Executive Officer

Greg Tisdale
Chief Financial Officer

March 8, 2007

Auditors' Report

To the Unitholders of Crescent Point Energy Trust

We have audited the consolidated balance sheets of Crescent Point Energy Trust as at December 31, 2006 and 2005 and the consolidated statements of operations and accumulated earnings and cash flows for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants
Calgary, Alberta
March 8, 2007

CONSOLIDATED BALANCE SHEETS

As at December 31

($000)	2006	2005
ASSETS		
Current assets		
Cash	205	317
Accounts receivable	53,279	40,733
Investments in marketable securities	171	30,191
Prepaids and deposits	4,509	7,098
Risk management asset (Note 15)	586	-
	58,750	78,339
Long term investment (Note 17 (a))	30,020	-
Deposit on property, plant and equipment	-	25,700
Reclamation fund (Note 7)	1,725	241
Risk management asset (Note 15)	466	-
Property, plant and equipment (Note 6)	1,214,155	635,667
Goodwill	68,350	68,350
Total assets	1,373,466	808,297
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	53,053	41,406
Cash distributions payable	8,598	5,768
Bank indebtedness (Note 8)	254,438	225,710
Risk management liability (Note 15)	7,581	27,495
	323,670	300,379
Asset retirement obligation (Note 9)	45,829	33,275
Risk management liability (Note 15)	11,697	4,590
Future income taxes (Note 13)	85,890	37,388
Total liabilities	467,086	375,632
NON-CONTROLLING INTEREST		
Exchangeable shares (Note 11)	-	7,565
UNITHOLDERS' EQUITY		
Unitholders' capital (Note 10)	1,045,929	488,060
Contributed surplus (Note 12)	9,150	4,409
Accumulated earnings	141,743	72,796
Accumulated cash distributions (Note 4)	(290,442)	(140,165)
Total unitholders' equity	906,380	425,100
Total liabilities and unitholders' equity	1,373,466	808,297

Commitments (Note 16)

See accompanying notes to the consolidated financial statements.

Approved on behalf of the Board of Directors,

Gerald A. Romanzin
Director

D. Hugh Gillard
Director

CONSOLIDATED STATEMENTS OF OPERATIONS AND ACCUMULATED EARNINGS

For the years ended December 31

($000, except per unit amounts)	2006	2005
REVENUE		
Oil and gas sales	427,491	251,076
Royalties, net of ARTC	(90,013)	(50,052)
Financial instruments		
Realized losses	(30,323)	(32,924)
Unrealized gains (losses) (Note 15)	13,859	(24,098)
	321,014	144,002
EXPENSES		
Operating	69,424	35,879
Transportation	10,375	4,619
General and administrative	12,072	6,437
Unit-based compensation (Note 12)	12,416	4,706
Interest on bank indebtedness (Note 8)	13,673	5,402
Depletion, depreciation and amortization	138,511	66,790
Accretion on asset retirement obligation (Note 9)	3,220	2,000
	259,691	125,833
Income before taxes	61,323	18,169
Capital and other taxes	11,314	5,527
Future income tax recovery	(16,560)	(27,800)
Net income before non-controlling interest	66,569	40,442
Non-controlling interest (Note 11)	2,378	(1,933)
Net income for the year	68,947	38,509
Accumulated earnings, beginning of the year, as previously reported	72,796	34,792
Retroactive application of change in accounting policy (Note 3)		(505)
Accumulated earnings, beginning of year, as restated	72,796	34,287
Accumulated earnings, end of the year	141,743	72,796
Net income per unit (Note 14)		
Basic	**1.12**	1.12
Diluted	**1.05**	1.12

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31

($000)	2006	2005
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net income for the year	68,947	38,509
Items not affecting cash		
Non-controlling interest	(2,378)	1,933
Future income taxes	(16,560)	(27,800)
Unit-based compensation (Note 12)	11,254	4,255
Depletion, depreciation and amortization	138,511	66,790
Accretion on asset retirement obligation (Note 9)	3,220	2,000
Unrealized losses (gains) on financial instruments (Note 15)	(13,859)	24,098
Asset retirement expenditures (Note 9)	(1,018)	(1,026)
Change in non-cash working capital		
Accounts receivable	(6,932)	(12,446)
Prepaid expenses and deposits	2,589	(6,760)
Accounts payable	(6,348)	4,694
	177,426	94,247
INVESTING ACTIVITIES		
Development capital and other expenditures	(113,234)	(38,286)
Capital acquisitions	(362,186)	(143,112)
Deposits on property, plant & equipment	-	(25,700)
Investments in marketable securities	-	(30,191)
Reclamation fund net contributions	(1,484)	(16)
Change in non-cash working capital		
Accounts receivable	(3,553)	(233)
Accounts payable	15,175	2,378
	(465,282)	(235,160)
FINANCING ACTIVITIES		
Issue of trust units, net of issue costs	425,202	93,215
Restricted unit vests	(1,377)	-
Increase in bank indebtedness	11,366	120,140
Cash distributions	(150,277)	(74,591)
Change in non-cash working capital		
Cash distributions payable	2,830	2,422
	287,744	141,186
INCREASE (DECREASE) IN CASH	(112)	273
CASH AT BEGINNING OF YEAR	317	44
CASH AT END OF YEAR	205	317

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2006 and 2005

1. Structure of the Trust

Crescent Point Energy Trust ("the Trust") is an open-ended unincorporated investment trust created on September 5, 2003 pursuant to a Declaration of Trust and Plan of Arrangement operating under the laws of the Province of Alberta. Olympia Trust Company is the trustee and the beneficiaries of the Trust are the unitholders.

The principal undertaking of the Trust's operating companies, Crescent Point General Partner Corp. and Crescent Point Resources Limited Partnership is to acquire, hold directly or indirectly, interests in oil and gas properties.

2. Significant Accounting Policies

a) Principles of Consolidation

The consolidated financial statements include the accounts of the Trust and its subsidiaries. Any reference to "the Trust" throughout these consolidated financial statements refers to the Trust and its subsidiaries. All transactions between the Trust and its subsidiaries have been eliminated.

b) Joint Ventures

Certain of the Trust's development and production activities are conducted jointly with others through unincorporated joint ventures. The accounts of the Trust reflect its proportionate interest in such activities.

c) Property, Plant and Equipment

The Trust follows the full cost method of accounting for petroleum and natural gas properties and equipment, whereby all costs of acquiring petroleum and natural gas properties and related development costs are capitalized and accumulated in one cost centre. Such costs include lease acquisition costs, geological and geophysical expenditures, costs of drilling both productive and non-productive wells, related plant and production equipment costs and related overhead charges. Maintenance and repairs are charged against income, and renewals and enhancements which extend the economic life of the properties and equipment are capitalized.

Gains and losses are not recognized upon disposition of petroleum and natural gas properties unless such a disposition would alter the rate of depletion by 20 percent or more.

Depletion, Depreciation and Amortization

Depletion of petroleum and natural gas properties is calculated using the unit-of-production method based on the estimated proved reserves before royalties, as determined by independent engineers. Natural gas reserves and production are converted to equivalent barrels of oil based upon the relevant energy content (6:1). The depletion base includes capitalized costs, plus future costs to be incurred in developing proven reserves and excludes the unimpaired cost of undeveloped land. Costs associated with unproved properties are not subject to depletion and are assessed periodically to ascertain whether impairment has occurred. When proved reserves are assigned or the value of the unproved property is considered to be impaired, the cost of the unproved property or the amount of impairment is added to costs subject to depletion.

Tangible production equipment is depreciated on a straight-line basis over its estimated useful life of 15 years. Office furniture, equipment and motor vehicles are depreciated on a declining balance basis at rates ranging from 10 percent to 30 percent.

Ceiling Test

A limit is placed on the aggregate carrying value of property, plant and equipment, which may be amortized against revenues of future periods (the "ceiling test"). The ceiling test is an impairment test whereby the carrying amount of property, plant and equipment is compared to the undiscounted cash flows from proved reserves using management's best estimate of future prices. If the carrying value exceeds the undiscounted cash flows, an impairment loss would be recorded against income. The impairment is measured as the amount by which the carrying amount of property, plant and equipment exceeds the discounted cash flows from proved and probable reserves.

d) Reclamation Fund

The Trust established a reclamation fund effective July 1, 2004 to fund future asset retirement obligation costs. The Board of Directors has approved contributions of $0.20 per barrel of production beginning April 1, 2005. Prior to April 1, 2005 contributions of $0.15 per barrel of production were made. Additional contributions are made at the discretion of management. Contributions to the reclamation fund have been deducted from the cash distributions to the unitholders and cash withheld to fund current year capital expenditures.

e) Asset Retirement Obligation

The Trust recognizes the fair value of an asset retirement obligation in the year in which it is incurred. The obligation is recorded as a liability on a discounted basis when incurred, with a corresponding increase to the carrying amount of the related asset. Over time the liabilities are accreted for the change in their present value and the capitalized costs are depleted on a unit-of-production basis over the life of the reserves. Revisions to the estimated timing of cash flows or the original estimated undiscounted cost would also result in an increase or decrease to the obligation and related asset.

f) Goodwill

The Trust must record goodwill relating to a corporate acquisition when the total purchase price exceeds the fair value for accounting purposes of the net identifiable assets and liabilities of the acquired company. The goodwill balance is assessed for impairment annually at year-end or as events occur that could result in an impairment. Impairment is recognized based on the fair value of the reporting entity ("consolidated Trust") compared to the book value of the reporting entity. If the fair value of the consolidated Trust is less than the book value, impairment is measured by allocating the fair value of the consolidated Trust to the identifiable assets and liabilities as if the Trust has been acquired in a business combination for a purchase price equal to its fair value. The excess of the fair value of the consolidated Trust over the amounts assigned to the identifiable assets and liabilities is the implied value of the goodwill. Any excess of the book value of goodwill over the implied value of goodwill is the impairment amount. Impairment is charged to earnings and is not tax affected, in the year in which it occurs. Goodwill is stated at cost less impairment and is not amortized.

g) Unit based Compensation

The Trust established a Restricted Unit Bonus Plan on September 5, 2003. The fair value based method of accounting is used to account for the restricted units granted under the Restricted Unit Bonus Plan. Compensation expense is determined based on the estimated fair value of trust units on the date of grant. The compensation expense is recognized over the vesting period, with a corresponding increase to contributed surplus. At the time the restricted units vest, the issuance of units is recorded with a corresponding decrease to contributed surplus and increase to unitholders' equity.

h) Income Taxes

The Trust follows the liability method of accounting for income taxes. Under this method, income tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the amounts reported in the financial statements of the Trust's corporate subsidiaries and their respective tax base, using substantively enacted future income tax rates. The effect of a change in income tax rates on future tax liabilities and assets is recognized in income in the year in which the change occurs. Temporary differences arising on acquisitions result in future income tax assets and liabilities. The Trust is a taxable entity under the Income Tax Act (Canada) and is taxable only on income that is not distributed or distributable to the unitholders.

i) Financial Instruments

The Trust uses financial instruments and physical delivery commodity contracts from time to time to reduce its exposure to fluctuations in commodity prices, foreign exchange rates and interest rates. Financial instruments that are not designated as hedges under CICA accounting guideline 13 "Hedging Relationships" are recorded on the balance sheet as either an asset or a liability with the change in fair value from the prior year recognized in net earnings. The Trust has not designated any of its risk management activities as accounting hedges under AcG-13, and accordingly has marked-to-market its financial instruments.

j) Non-Controlling Interest

The Trust has recorded a non-controlling interest in respect of the issued and outstanding exchangeable shares of Crescent Point Resources Ltd. ("CPRL"), a corporate subsidiary of the Trust, in accordance with EIC-151. The intent is that exchangeable shares of a subsidiary which are transferable to third parties, outside of the consolidated entity, represent a non-controlling interest in the subsidiary.

The exchangeable shares issued pursuant to the conversion to a trust were initially recorded at their pro-rata percentage of carrying value of CPRL equity, while the exchangeable shares issued pursuant to the acquisition of Tappit Resources Ltd. were recorded at their fair value. When the exchangeable shares recorded at carrying value are converted into trust units, the conversion is recorded as an acquisition of the non-controlling interest at fair value and is accounted for as a step acquisition. Upon conversion of the exchangeable shares, the fair value of the trust units issued is recorded in the unitholders' capital, and the difference between the carrying value of the non-controlling interest and the fair value of the trust units is recorded as property, plant and equipment.

The non-controlling interest on the consolidated balance sheet represents the book value of exchangeable shares plus accumulated earnings attributable to the outstanding shares. The non-controlling interest on the income statement represents the net earnings attributable to the exchangeable shareholders for the year based on the trust units issuable for exchangeable shares in proportion to the total trust units issued and issuable at each year end.

k) Revenue Recognition

Revenues associated with sales of crude oil, natural gas and natural gas liquids are recognized when title passes to the purchaser.

l) Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with a maturity of three months or less when purchased.

m) Investments in Marketable Securities

Investments are recorded at the lower of cost or net realizable value. Any impairment that is other than temporary in nature is written down to the fair value.

n) Measurement Uncertainty

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Trust's best information and judgment. Such amounts are not expected to change materially in the near term. They include the amounts recorded for depletion, depreciation, amortization and asset retirement costs which depend on estimates of oil and gas reserves or the economic lives and future cash flows from related assets.

3. Change in Accounting Policies

a) Exchangeable Shares - Non-Controlling Interest

On January 19, 2005, the CICA issued revised draft EIC-151 "Exchangeable Securities Issued by Subsidiaries of Income Trusts" that states that exchangeable securities issued by a subsidiary of an income trust should be reflected as either non-controlling interest or debt on the consolidated balance sheet unless they meet certain criteria. The exchangeable shares issued by Crescent Point Resources Ltd. ("CPRL"), a corporate subsidiary of the Trust, are transferable to third parties. EIC-151 states that if the exchangeable shares are transferable to a third party, they should be reflected as non-controlling interest. Previously, the exchangeable shares were reflected as a component of unitholders' equity.

Effective in the second quarter of 2005, this accounting policy was adopted retroactively and prior year comparative balances have been restated. Adoption of the policy had the following effects on the Trust's consolidated balance sheet:

($000)	December 31, 2005
Increase in property, plant and equipment	16,940
Increase in future income tax liability	5,979
Increase in non-controlling interest	7,565
Decrease in exchangeable shares	(5,598)
Increase in unitholders' capital	12,843
Decrease in accumulated earnings, end of year	(3,849)

Adoption of the policy had the following effects on Crescent Point's consolidated statement of operations and accumulated earnings:

($000, except per unit amounts)	December 31, 2005
Increase in depletion expense	2,177
Increase in future income tax recovery	(766)
Increase in non-controlling interest	1,933
Decrease in net income	(3,344)
Decrease in accumulated earnings, beginning of year	(505)
Decrease in net income per unit	(0.10)
Decrease in net income per unit-diluted	(0.04)

4. Reconciliation of Cash Distributions

Crescent Point's distributions to unitholders are paid monthly and are dependent upon commodity prices, production levels and the amount of capital expenditures to be funded from cash flow. The Trust reinvests part of its cash flow towards the capital program to provide for more sustainable distributions in the future. The actual amount of the distributions is at the discretion of the Board of Directors. In the event that commodity prices are higher than anticipated and a cash surplus develops during the quarter, the surplus may be used to increase distributions, reduce debt and/or increase the Trust's capital program.

During 2006, the Trust funded cash distributions from its cash flow from operations and expects to continue this practice in the future. Cash flow from operations in excess of distributions requirements is used to fund capital expenditures and reduce bank indebtedness.

Cash distributions are calculated in accordance with the Trust's indenture. To arrive at cash distributions, cash flow from operations, before changes in non cash working capital and asset retirement obligation ("ARO") expenditures, is reduced by reclamation fund contributions and a portion of capital expenditures.

($000, except per unit amounts)	2006	2005
Accumulated cash distributions, beginning of year	**140,165**	65,574
Cash distributions declared to unitholders [1]	**150,277**	74,591
Accumulated cash distributions, end of year	**290,442**	140,165
Accumulated cash distributions per unit, beginning of year	**4.86**	2.72
Cash distributions declared to unitholders per unit [1]	**2.40**	2.14
Accumulated cash distributions per unit, end of year	**7.26**	4.86

[1] Cash distributions reflect the sum of the amounts declared monthly to unitholders, including distributions under the DRIP and Premium DRIP plans.

5. Capital Acquisitions and Dispositions

a) Acquisition of a Partnership (Southeast Saskatchewan Property)

On January 3, 2006, the Trust closed the acquisition of all the outstanding partnership units of a partnership with properties in the corridor between Manor and Ingoldsby, Saskatchewan for total consideration of $24.5 million ($25.4 million was allocated to property, plant and equipment). The purchase was paid for with cash and was accounted for as an asset acquisition pursuant to EIC-124.

b) Acquisition of a Corporation (Cantuar/Battrum Property)

On January 9, 2006, the Trust purchased all the outstanding shares of two corporations with properties in the Cantuar and Battrum areas of southwest Saskatchewan for total consideration of $254.6 million ($302.3 million was allocated to property, plant and equipment). The purchase was paid for with cash raised from an equity financing of $220.1 million with the balance financed from the Trust's existing credit facilities. The transaction was accounted for as an asset acquisition pursuant to EIC-124. The net assets acquired and consideration is allocated as follows:

	($000)
Net assets acquired	
Property, plant and equipment	302,338
Working capital	(1,285)
Asset retirement obligation	(1,706)
Future income taxes	(44,789)
Total net assets acquired	254,558
Consideration	
Cash	254,473
Acquisition costs	85
Total purchase price	254,558

c) Acquisition of a Partnership (Peace River Arch Property)

On February 6, 2006, the Trust closed the acquisition of all the outstanding partnership units of a partnership with properties in the Peace River Arch area of northwest Alberta for total consideration of $55.3 million ($55.6 million was allocated to property, plant and equipment). The purchase was paid for with cash of $11.3 million and 2,080,379 trust units and was accounted for as an asset acquisition pursuant to EIC-124.

d) Acquisition of Canex Energy Inc.

On May 30, 2006, the Trust purchased all the issued and outstanding shares of Canex Energy Inc., a public company with properties in the Peace River Arch area of northwest Alberta for total consideration of $70.6 million ($100.3 million was allocated to property, plant and equipment). The purchase was paid for with a combination of cash and trust units and was accounted for using the purchase method of accounting. The net assets acquired and consideration is allocated as follows:

	($000)
Net assets acquired	
Working capital	526
Property, plant and equipment	100,271
Bank debt	(17,362)
Asset retirement obligation	(1,442)
Future income taxes	(11,356)
Total net assets acquired	70,637
Consideration	
Cash	12,114
Trust units issued (2,583,505 trust units)	57,922
Acquisition costs	601
Total purchase price	70,637

e) Property Acquisitions and Disposals

In the year ended December 31, 2006, the Trust closed eight property acquisitions for total consideration before closing adjustments of approximately $84.6 million and one property disposition for approximately $6.4 million (the net amount allocated to property, plant and equipment was $83.0 million).

f) Acquisition of a Private Consortium (Glen Ewen Property)

On July 26, 2005, the Trust purchased all of the issued and outstanding shares of a group of private companies with common properties located in the Glen Ewen area of southeast Saskatchewan. The purchase was paid for with a combination of cash and trust units and was accounted for using the purchase method of accounting. The net assets and consideration is allocated as follows:

	($000)
Net assets acquired	
Cash	2,000
Working capital	300
Property, plant and equipment	56,318
Asset retirement obligation	(1,716)
Future income taxes	(9,086)
Total net assets acquired	47,816
Consideration	
Cash	11,443
Trust units (2,000,000 trust units)	36,300
Acquisition costs	73
Total purchase price	47,816

g) Acquisition of a Private Company (Tatagwa Property)

On September 13, 2005, the Trust purchased all of the issued and outstanding shares of a private company with properties in the Tatagwa area of southeast Saskatchewan. The purchase was paid for with a combination of cash and trust units and was accounted for using the purchase method of accounting. The net assets and consideration is allocated as follows:

	($000)
Net assets acquired	
Cash	570
Working capital	77
Property, plant and equipment	4,665
Asset retirement obligation	(80)
Total net assets acquired	5,232
Consideration	
Cash	647
Trust units (235,000 trust units)	4,559
Acquisition costs	26
Total purchase price	5,232

h) Acquisition of Partnership (Tatagwa Property)

On October 28, 2005, the Trust purchased all of the outstanding partnership units of a partnership with properties in the Tatagwa area of southeast Saskatchewan. The purchase was paid for with cash and was accounted for as an asset acquisition pursuant to EIC-124. The net assets acquired and consideration is allocated as follows:

	($000)
Net assets acquired	
Property, plant and equipment	39,399
Asset retirement obligation	(1,622)
Total net assets acquired	37,777
Consideration	
Cash	37,423
Acquisition costs	354
Total purchase price	37,777

i) Acquisition of Bulldog Energy Inc.

On November 29, 2005, the Trust purchased all of the issued and outstanding shares of Bulldog Energy Inc., a public oil and gas company. The purchase was paid for with a combination of cash and trust units and was accounted for using the purchase method of accounting. The net assets and consideration is allocated as follows:

	($000)
Net assets acquired	
Property, plant and equipment	128,855
Goodwill	10,203
Working capital deficiency	(7,072)
Bank debt	(12,850)
Asset retirement obligation	(2,373)
Future income taxes	(16,276)
Total net assets acquired	100,487
Consideration	
Cash	1,629
Trust units (4,490,564 trust units)	97,564
Acquisition costs	1,294
Total purchase price	100,487

6. Property, Plant And Equipment

December 31, 2006 ($000)	Cost	Accumulated depletion, depreciation and amortization	Net
Petroleum and natural gas properties	**1,181,422**	**238,401**	**943,021**
Production equipment	**300,693**	**31,392**	**269,301**
Office furniture and equipment	**3,979**	**2,146**	**1,833**
	1,486,094	**271,939**	**1,214,155**

December 31, 2005 ($000)	Cost	Accumulated depletion, depreciation and amortization	Net
Petroleum and natural gas properties	617,838	117,923	499,915
Production equipment	147,925	13,954	133,971
Office furniture and equipment	3,332	1,551	1,781
	769,095	133,428	635,667

At December 31, 2006, unproved land costs of $33.9 million (2005 – $23.8 million) have been excluded from costs subject to depletion. Future development costs of $147.3 million (2005 – $103.1 million) are included in costs subject to depletion.

General and administrative expenses capitalized by the Trust during the year were $2.6 million (2005 – $1.7 million). The capitalized administration costs do not include any related unit-based compensation costs.

The ceiling test calculation at December 31, 2006 indicated that the net recoverable amount from proved reserves exceeded the net carrying value of the petroleum and natural gas properties and equipment. The following are the prices that were used in the December 31, 2006 ceiling test:

	Average Price Forecast (1)											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018+(2)
WTI ($US/bbl)	62.00	60.00	58.00	57.00	57.00	57.50	58.50	59.75	61.00	62.25	63.50	2.0%
Exchange rate	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87	0.87
WTI ($Cdn/bbl)	71.26	68.97	66.67	65.52	65.52	66.09	67.24	68.68	70.11	71.55	72.99	2.0%
AECO ($Cdn/mcf)	7.20	7.45	7.75	7.80	7.85	8.15	8.30	8.50	8.70	8.90	9.10	2.0%

(1) The benchmark prices listed above are adjusted for quality differentials, heat content, distance to market and other factors in performing our ceiling test.

(2) Percentage change represents the change in each year after 2017 to the end of the reserve life.

7. Reclamation Fund

A reclamation fund was established to fund future asset retirement obligation costs. The Board of Directors has approved contributions of $0.20 per barrel of production which results in minimum annual contributions of approximately $1.5 million based on properties owned at December 31, 2006. Additional contributions are made at the discretion of management. The following table reconciles the reclamation fund.

($000)	2006	2005
Balance, beginning of year	**241**	225
Contributions	**2,502**	1,042
Actual expenditures	**(1,018)**	(1,026)
Balance, end of year	**1,725**	241

8. Bank Indebtedness

The Trust has a syndicated credit facility with seven banks and an operating credit facility with one Canadian chartered bank. The amount available under the combined credit facilities was increased from $245.0 million to $320.0 million on January 9, 2006, from $320.0 million to $350.0 million on May 29, 2006 and further increased to $470.0 million on November 22, 2006. The Trust has letters of credit in the amount of $310,000 outstanding at December 31, 2006.

The credit facilities bear interest at the prime rate plus a margin based on a sliding scale ratio of the Trust's debt to cash flows. The credit facility is secured by the oil and gas assets owned by the Trust's wholly owned subsidiaries.

The cash interest paid in the year was $15.2 million (2005 - $5.2 million).

9. Asset Retirement Obligation

The total future asset retirement obligation was estimated by management based on the Trust's net ownership in all wells and facilities. This includes all estimated costs to reclaim and abandon the wells and facilities and the estimated timing of the costs to be incurred in future periods. The Trust has estimated the net present value of its total asset retirement obligation to be $45.8 million at December 31, 2006 (December 31, 2005 – $33.3 million) based on total estimated undiscounted cash flows to settle the obligation of $104.0 million (December 31, 2005 - $67.4 million). The expected period until settlement ranges from a minimum of 2 years to a maximum of 50 years, with the costs expected to be paid over an average of 20 years. The estimated cash flows have been discounted using a credit adjusted risk free rate of eight percent and an inflation rate of two percent.

The following table reconciles the asset retirement obligation:

($000)	2006	2005
Asset retirement obligation, beginning of year	**33,275**	21,403
Liabilities incurred	**1,211**	669
Liabilities acquired through capital acquisitions	**9,141**	10,229
Liabilities settled	**(1,018)**	(1,026)
Accretion expense	**3,220**	2,000
Asset retirement obligation, end of year	**45,829**	33,275

10. Unitholders' Capital

a) Authorized

An unlimited number of voting trust units has been authorized.

b) Issued and Outstanding

The Trust has initiated a distribution reinvestment plan (the "Regular DRIP") and a premium distribution reinvestment plan (the "Premium DRIP"). The Regular DRIP permits eligible unitholders to direct their distributions to the purchase of additional units at 95 percent of the average market price, as defined in the plan. The Premium DRIP permits eligible unitholders to elect to receive 102 percent of the cash the unitholder would otherwise have received on the distribution date. The additional cash distributed to the Premium DRIP unitholders is funded through the issuance of additional trust units in the open market. Participation in the Regular and Premium DRIP is subject to proration by the Trust. Unitholders who participate in either the Regular DRIP or the Premium DRIP are also eligible to participate in the Optional Unit Purchase Plan as defined in the plan.

On December 29, 2005, the Trust and a syndicate of underwriters closed a bought deal equity financing pursuant to which the syndicate sold 10,406,000 subscription receipts of the Trust for gross proceeds of $220.1 million ($21.15 per subscription receipt). On January 9, 2006, all conditions of this offering were satisfied and the subscription receipts were converted to trust units and the proceeds were released to the Trust.

On March 23, 2006, the Trust and a syndicate of underwriters closed a bought deal equity financing pursuant to which 3,440,000 trust units were issued for gross proceeds of $75.0 million ($21.80 per trust unit).

On July 20, 2006, the Trust and a syndicate of underwriters closed a bought deal equity financing pursuant to which the syndicate sold 4,700,000 trust units for gross proceeds of $100.3 million ($21.35 per trust unit).

	2006		2005	
	Number of trust units	Amount ($000)	Number of trust units	Amount ($000)
Trust units, beginning of year	**41,745,784**	**502,879**	29,347,408	257,468
Issued for cash	**18,546,000**	**395,424**	3,930,000	75,063
Issued on capital acquisitions	**4,663,884**	**101,923**	6,725,564	138,423
Issued on conversion of exchangeable shares	**1,444,213**	**25,608**	393,007	7,405
Issued on vesting of restricted units (1)	**190,221**	**2,889**	90,803	1,035
Issued pursuant to the distribution reinvestment plans	**2,604,619**	**49,984**	1,128,564	20,930
To be issued pursuant to the distribution reinvestment plans	**337,231**	**5,241**	130,438	2,555
Trust units, end of year	**69,531,952**	**1,083,948**	41,745,784	502,879
Cumulative unit issue costs	**–**	**(38,019)**	–	(14,819)
Total unitholders' capital, end of year	**69,531,952**	**1,045,929**	41,745,784	488,060

(1) The amount of trust units issued on vesting of restricted units is net of trust units purchased in the market to satisfy the issuance of trust units under the restricted unit bonus plan and employee withholding taxes.

11. Exchangeable Shares

The exchangeable shareholders had the option to convert their exchangeable shares of Crescent Point Resources Ltd. into trust units at any time before September 5, 2013. Once the exchangeable shares outstanding reached one million, the Trust could elect to redeem the exchangeable shares for trust units. As the number of exchangeable shares outstanding had reached one million, the Trust exercised its redemption call right in respect of all the issued and outstanding exchangeable shares. As a result, the Trust purchased all of the issued and outstanding exchangeable shares from the holders on October 27, 2006. The redemption of the exchangeable shares was satisfied by the delivery to each shareholder of 1.4621 trust units per exchangeable share held.

For other conversions in the year, the number of trust units issued upon conversion was based on the exchange ratio in effect on the date of conversion. The exchange ratio was calculated monthly based on the distributions declared and the ten day weighted average trust unit trading price preceding the monthly effective date. The exchangeable shares were not eligible for distributions, and were not publicly traded.

Exchangeable Shares	2006	2005
Balance, beginning of year	**988,073**	1,307,140
Exchanged for trust units	**(988,073)**	(319,067)
Balance, end of year	-	988,073
Exchange ratio, end of year	-	1.333
Trust units issuable upon conversion, end of year	-	1,317,101

Non-controlling Interest ($000)	2006	2005
Non-controlling interest, beginning of year	**7,565**	7,266
Reduction of book value for conversion to trust units	**(5,187)**	(1,634)
Current year net earnings (loss) attributable to non-controlling interest	**(2,378)**	1,933
Non-controlling interest, end of year	-	7,565

12. Restricted Unit Bonus Plan

The Trust has a Restricted Unit Bonus Plan. Under the terms of the Restricted Unit Bonus Plan, the Trust may grant restricted units to directors, officers, employees and consultants. Restricted units vest at 33 1/3 percent on each of the first, second and third anniversaries of the grant date. Restricted unitholders are eligible for monthly distributions on their restricted units, immediately upon grant.

At the annual general meeting on May 31, 2006, the unitholders approved an increase in the maximum number of trust units issuable under the Restricted Unit Bonus Plan from 935,000 to 5,000,000 trust units.

A summary of the changes in the restricted units outstanding under the plan is as follows:

	2006	2005
Restricted units, beginning of year	**589,555**	400,559
Granted	**848,426**	406,026
Exercised	**(354,967)**	(126,852)
Forfeited	**(39,386)**	(90,178)
Restricted units, end of year	**1,043,628**	589,555

The Trust recorded compensation expense and contributed surplus of $11.3 million in the year ended December 31, 2006, (2005 – $4.3 million) based on the amortization of the fair value of the units on the date of grant. Additionally, the Trust recorded $1.1 million (2005 – $450,000) of cash distributions on restricted units. The total cash and non-cash unit based compensation recorded in the year was $12.4 million (2005 – $4.7 million).

13. Income Taxes

During 2006, there were several proposed amendments to Federal and provincial corporate tax legislation which were substantively enacted. The Federal amendments include the elimination of Large Corporations Tax, effective January 1, 2006, a reduction in the Federal corporate income tax rate from 21 percent (in 2007) to 19 percent over a three year period beginning January 1, 2008 and the elimination of the Corporate Income Surtax, effective January 1, 2008. The Saskatchewan amendments include a reduction in the Saskatchewan corporate income tax rate from 17 percent to 12 percent over a four year period beginning January 1, 2006. The Alberta amendments include a reduction in the Alberta corporate income tax rate from 11.5 percent to 10 percent, effective April 1, 2006. As a result of the rate changes, the Trust's future income tax rate decreased to approximately 30 percent in 2006 (35 percent in 2005) compared to the tax rate of 37 percent applicable for the 2006 income tax year (40 percent for 2005).

The tax provision differs from the amount computed by applying the combined Canadian federal and provincial income tax statutory rates to income before taxes as follows:

($000)	2006	2005
Income before taxes	**61,323**	18,169
Statutory income tax rate	**36.53%**	39.70%
Expected provision for income taxes	**22,401**	7,213
Effect of change in corporate tax rates	**(5,623)**	(1,945)
Non-deductible Crown charges	**5,359**	3,847
Resource allowance	**(4,466)**	(9,272)
Net income of the Trust and other	**(34,231)**	(27,643)
Future income tax recovery	**(16,560)**	(27,800)

The cash capital taxes paid during the year were $13.2 million (2005 – $3.9 million).

The future tax liability of $85.9 million is comprised primarily of tax on the differences between the accounting basis and tax basis of certain operating companies' property, plant and equipment and on the differences between certain subsidiaries' accounting basis and tax basis for investments in partnerships.

On October 26, 2006, the Trust announced a Special Meeting would be held on November 27, 2006 to obtain conditional approval of a reorganization of the Trust and its subsidiaries. Shareholder approval was received at the Special Meeting and on March 1, 2007 the Trust closed the reorganization. The reorganization resulted in the existing business of the Trust, which was carried on through a limited partnership and corporations, being carried on through limited partnerships indirectly owned by the Trust. The reorganization which is similar to reorganizations completed by a number of other income trusts, has provided the Trust with a "flow through" structure that should maximize the cash available for distribution.

On October 31, 2006, the Federal Government announced tax proposals pertaining to taxation of distributions paid by trusts and the personal tax treatment of trust distributions. On December 21, 2006, the Minister of Finance released for comment draft legislation concerning the new tax proposals. Currently, Crescent Point does not pay tax on distributions as tax is paid by the unitholders. The proposals would result in a tax at the Trust level. If legislation is enacted, the proposals would apply to the Trust effective January 1, 2011, however the plan has not been enacted at this time. If the tax legislation becomes substantively enacted as proposed, future income taxes may be adjusted to include temporary differences between the accounting and tax basis of the Trust's assets and liabilities.

14. Per Trust Unit Amounts

The following table summarizes the weighted average trust units used in calculating net income per trust unit:

	2006	2005
Weighted average trust units	**61,542,223**	34,263,054
Trust units issuable on conversion of exchangeable shares [1]	**1,178,761**	1,317,101
Dilutive impact of restricted units	**847,832**	505,347
Dilutive trust units and exchangeable shares	**63,568,816**	36,085,502

[1] The trust units issuable on conversion of the exchangeable shares reflect the weighted average exchangeable shares outstanding converted at the exchange ratio in effect at the end of the period. The exchange rate used for 2006 was the rate in effect on October 27, 2006, immediately prior to the conversion of all remaining exchangeable shares.

15. Financial Instruments and Risk Management

a) Fair values

The Trust's financial instruments recognized on the consolidated balance sheet include cash, accounts receivable, the reclamation fund, accounts payable, accrued liabilities and debt. The fair value of these financial instruments approximates their carrying amounts due to their short-term nature.

b) Credit risk

A substantial portion of the Trust's accounts receivable are with customers in the oil and gas industry and are subject to normal industry credit risks.

c) Interest rate risk

The Trust is exposed to interest rate risk on debt instruments to the extent of changes in the prime interest rate.

d) Risk management

The Trust has entered into fixed price oil, gas and power contracts along with interest rate swaps to manage its exposure to fluctuations in the price of crude oil, gas, power and interest rates on debt.

The following is a summary of the financial instrument contracts in place as at December 31, 2006:

Financial WTI Crude Oil Contracts - Canadian Dollar Term	Contract	Volume (bbls/d)	Average Swap Price ($Cdn/bbl)	Average Bought Put Price ($Cdn/bbl)	Average Sold Call Price ($Cdn/bbl)
2007					
January – March	Swap	1,000	58.72		
January – June	Swap	250	67.00		
January – September	Swap	250	74.52		
January – December	Swap	2,750	75.64		
April – June	Swap	1,000	72.02		
July – September	Swap	1,250	71.11		
October – December	Swap	1,500	73.22		
January – June	Collar	250		64.00	75.32
January – September	Collar	250		68.00	81.28
January – December	Collar	1,000		67.61	81.39
July – December	Collar	250		65.00	82.03
October – December	Collar	250		65.00	86.00
January – March	Put	250		84.50	
January – June	Put	500		64.50	
January – December	Put	2,750		79.01	
July – December	Put	500		70.06	
2007 Weighted Average		**9,060**	**73.59**	**74.13**	**81.12**
2008					
January – June	Swap	1,000	72.73		
January – September	Swap	250	68.10		
January – December	Swap	3,250	75.66		
July – December	Swap	1,000	73.52		
October – December	Swap	250	70.80		
January – June	Collar	250		65.00	82.00
January – December	Collar	1,250		70.00	83.72
July – December	Collar	250		70.00	91.00
January – December	Put	3,250		72.34	
2008 Weighted Average		**9,250**	**74.71**	**71.47**	**84.19**
2009					
January – March	Swap	2,750	77.68		
January – June	Swap	1,250	74.99		
April – June	Swap	2,250	77.58		
July – September	Swap	3,000	74.07		
January – March	Collar	250		75.00	87.00
January – June	Collar	1,250		70.00	81.01
January – September	Collar	250		70.00	79.00
April – June	Collar	250		75.00	83.00
July – September	Collar	250		70.00	84.05
2009 Weighted Average		**3,610**	**75.98**	**70.62**	**81.32**

Financial AECO Natural Gas Contracts - Canadian Dollar Term	Contract	Volume (GJ/d)	Average Bought Put Price ($Cdn/GJ)	Average Sold Call Price ($Cdn/GJ)
2007				
January – March	Collar	2,000	7.00	9.90
April – October	Collar	2,000	6.50	8.04
2007 Weighted Average		**1,665**	**6.65**	**8.59**

The Trust has a power swap for 3.0 MW/h at a fixed price of $63.25 per MW/h for the period March 1, 2006 to December 31, 2008. The Trust also has an interest rate swap in the amount of $40.0 million bearing an interest rate of 4.35 percent (before stamping fees) for the period May 25, 2006 to May 25, 2007.

None of the Trust's commodity or interest rate contracts have been designated as accounting hedges. Accordingly, all commodity and interest rate contracts have been recorded on the balance sheet as assets and liabilities based on their fair values.

The following table reconciles the movement in the fair value of the Trust's commodity and interest rate contracts:

($000)	2006	2005
Risk management asset, beginning of year	-	-
Unrealized mark-to-market gain	**1,052**	-
Risk management asset, end of year	**1,052**	-
Less: current risk management asset, end of year	**(586)**	-
Long term risk management asset, end of year	**466**	-

($000)	2006	2005
Risk management liability, beginning of year	**32,085**	7,898
Unrealized mark-to-market loss (gain)(1)	**(12,807)**	24,187
Risk management liability, end of year	**19,278**	32,085
Less: current risk management liability , end of year	**(7,581)**	(27,495)
Long term risk management liability, end of year	**11,697**	4,590

(1) The realized financial instrument gain on the income statement for the year ended December 31, 2005 also reflects the amortization of deferred financial instrument gains and losses.

16. Commitments

At December 31, 2006, the Trust had contractual obligations and commitments for office space and equipment:

	($000)
2007	3,087
2008	2,698
2009	2,589
2010	2,304
2011	2,102

17. Subsequent Events

a) Acquisition of Mission Oil & Gas Inc. (Viewfield Bakken Property)

On February 9, 2007, the Trust closed the acquisition of Mission Oil & Gas Inc., a publicly traded company with properties in the Viewfield Bakken area of southeast Saskatchewan for total consideration of approximately $574.1 million, before closing adjustments (based on a trust unit price of $17.37). The purchase was funded through the Trust's existing bank lines and issuance of approximately 29.2 million trust units. The Trust owned 3,800,000 shares of Mission Oil & Gas Inc. prior to the closing which it purchased for $7.90 per share or $30.0 million in November 2005.

b) Internal Reorganization

On March 1, 2007, the Trust closed the previously announced reorganization of the Trust and its subsidiaries. The reorganization resulted in the existing business of the Trust, which was carried on through a limited partnership and corporations, being carried on through limited partnerships indirectly owned by the Trust. The reorganization which is similar to reorganizations completed by a number of other income trusts, has provided the Trust with a "flow through" structure that should maximize the cash available for distribution.

18. Comparative Information

Certain information provided for the previous year has been restated to conform to the current year presentation.

Directors

Peter Bannister, Chairman (1) (3)

Paul Colborne (2) (4)

Ken Cugnet (3) (4) (5)

Hugh Gillard (1) (2) (3)

Gerald Romanzin (1) (5)

Scott Saxberg (4)

Greg Turnbull (2) (5)

(1) Member of the Audit Committee of the Board of Directors
(2) Member of the Compensation Committee of the Board of Directors
(3) Member of the Reserves Committee of the Board of Directors
(4) Member of the Health, Safety and Environment Committee of the Board of Directors
(5) Member of the Corporate Governance and Nominating Committee

Officers

Scott Saxberg
President and Chief Executive Officer

Greg Tisdale
Chief Financial Officer

C. Neil Smith
Vice President, Engineering and Business Development

Dave Balutis
Vice President, Geosciences

Tamara MacDonald
Vice President, Land

Ken Lamont
Controller and Treasurer

HEAD OFFICE

Suite 2800, 111 – 5th Avenue SW
Calgary, Alberta T2P 3Y6
Tel: (403) 693-0020
Fax: (403) 693-0070
Toll Free: (888) 693-0020

BANKER

The Bank of Nova Scotia
Calgary, Alberta

AUDITOR

PricewaterhouseCoopers LLP
Calgary, Alberta

LEGAL COUNSEL

McCarthy Tétrault LLP
Calgary, Alberta

EVALUATION ENGINEERS

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

Sproule Associates Ltd.
Calgary, Alberta

REGISTRAR AND TRANSFER AGENT

Investors are encouraged to contact Crescent Point's Registrar and Transfer Agent for information regarding their security holdings:

Olympia Trust Company
2300, 125 – 9 Avenue SE
Calgary, Alberta T2G 0P6
Tel: (403) 261-0900

STOCK EXCHANGE

Toronto Stock Exchange – TSX

STOCK SYMBOL

CPG.UN

INVESTOR CONTACTS

Scott Saxberg
President and Chief Executive Officer
(403) 693-0020

Greg Tisdale
Chief Financial Officer
(403) 693-0020

Trent Stangl
Manager, Marketing and Investor Relations
(403) 693-0020

Crescent Point
ENERGY TRUST

2800, 111 - 5th Ave SW
Calgary AB T2P 3Y6
Telephone 403.693.0020
Fax 403.693.0070
Toll Free 888.693.0020
www.crescentpointenergy.com